

HOUSE OF REPRESENTATIVES.

THURSDAY, February 14, 1918.

The House met at 12 o'clock noon.

Rev. William Couden, of Washington, D. C., offered the following prayer:

Lord God Almighty, with all reverence we pray; down with autocracy and all special class privilege—all the world's Hohenzollerns and junkers; and long live our American Republic and all other democracies and the growing power of the people's will throughout the world. Save us from mere futile theorizing; but under the sense of Thy universal Fatherhood may we approximate and finally realize the universal brotherhood of man.

To this end cooperate with us in our public work to-day. In the name of Jesus of Nazareth, amen.

The Journal of the proceedings of yesterday was read and approved.

TAXES ON CERTAIN INCOMES, DISTRICT OF COLUMBIA.

Mr. JOHNSON of Kentucky. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the purpose of considering a bill (H. R. 9248) the title of which is "A bill to prevent extortion, to impose taxes on certain incomes in the District of Columbia, and for other purposes"; and pending that motion I would like to come to some agreement with the gentleman from Massachusetts [Mr. TINKHAM] as to some reasonable limit on general debate.

The SPEAKER. The gentleman from Massachusetts is recognized.

Mr. TINKHAM. Mr. Speaker, I would like to ask the honorable Representative from Kentucky what he thinks a reasonable time would be?

Mr. JOHNSON of Kentucky. I would like about an hour and a half on this side.

Mr. TINKHAM. I should think two hours here would be sufficient.

Mr. JOHNSON of Kentucky. The gentleman, I think, ought to be willing for an hour and a half on a side.

Mr. GILLETTE. Do you expect to divide the time with the men on this side who are favorable to the bill?

Mr. JOHNSON of Kentucky. Yes; I expect to. I expect to spend a portion of the time myself in explaining the bill, and after I have done that and answered such questions as I am able to answer I will yield to anybody, and especially to gentlemen on that side who are in favor of the bill.

Mr. GILLETTE. One gentleman on this side, I understand, is in a judicial attitude, partly for and partly against the bill, and he would like to have 30 minutes.

Mr. JOHNSON of Kentucky. That is the gentleman from Michigan [Mr. MAPES]?

Mr. GILLETTE. Yes.

Mr. JOHNSON of Kentucky. I would suggest that I have an hour and a half, and the gentleman from Massachusetts [Mr. TINKHAM] an hour and a half, and the gentleman from Michigan [Mr. MAPES] half an hour.

Mr. MAPES. Mr. Speaker, reserving the right to object, as the gentleman from Kentucky and the gentleman from Massachusetts will recall, this bill was discussed very little in committee, on the theory that we would have a chance to discuss and debate the bill on the floor of the House. It is one of the most important bills, so far as the District of Columbia is concerned, that has been presented to the House in many moons. I know of several Members who have expressed a desire to discuss it. It does not seem to me that that is going to give any time commensurate with the importance of the measure.

Mr. JOHNSON of Kentucky. The general debate would lead us up to nearly 4 o'clock under the proposed arrangement.

Mr. GILLETTE. The time to which it will lead, it seems to me, ought not to determine the reasonable amount of debate on it. I think we ought to debate it reasonably.

Mr. JOHNSON of Kentucky. I am quite sure of that.

Mr. GILLETTE. We do not want to waste time, of course.

Mr. JOHNSON of Kentucky. In determining the time for general debate, we must recognize the fact that we have only to-day.

Mr. GILLETTE. Does the agreement give us only to-day?

Mr. JOHNSON of Kentucky. That is my understanding of it, that we have only to-day.

Mr. STAFFORD. Of course, if the bill is not finished to-day the gentleman will have the privilege of bringing it up on next District day.

Mr. JOHNSON of Kentucky. Yes; I will have the privilege of bringing it up on the next District day.

The SPEAKER. What is the gentleman's proposition?

Mr. JOHNSON of Kentucky. I propose that I have an hour and a half and that the gentleman from Massachusetts [Mr. TINKHAM] may have an hour and a half, and the gentleman from Michigan [Mr. MAPES] half an hour.

Mr. GILLETTE. The gentleman from Massachusetts says he would rather have two hours, and then he will accommodate the gentleman from Michigan. He would rather have it that way.

The SPEAKER. The gentleman from Kentucky, pending the motion that the House resolve itself into Committee of the Whole House on the state of the Union, asks unanimous consent that the debate be limited to three hours and a half.

Mr. JOHNSON of Kentucky. I will ask the gentleman from Michigan that if he himself does not use the 30 minutes provided for him he would let me have part of it instead of letting the gentleman from Massachusetts have it all.

Mr. MAPES. So far as I am concerned, I would be very glad to.

The SPEAKER. Now, what is the gentleman's request?

Mr. JOHNSON of Kentucky. That I have control of one hour and a half of the time, and that the gentleman from Massachusetts control two hours of the time, but that he give the gentleman from Michigan [Mr. MAPES] half an hour, and if the gentleman from Michigan does not use that entire half hour he divide it equally between the gentleman from Massachusetts and myself.

The SPEAKER. The gentleman from Kentucky asks unanimous consent that the debate be limited to three hours and a half; that he shall control one hour and a half and the gentleman from Massachusetts two hours, and out of that two hours the gentleman from Massachusetts will yield 30 minutes to the gentleman from Michigan [Mr. MAPES], who will have the right to parcel it out to suit himself, and if he does not use it all up he will divide the remnant equally between the gentleman from Massachusetts and the gentleman from Kentucky. Is there objection?

Mr. RUCKER. Mr. Speaker, reserving the right to object—and I do not want to object—I would like to prefer a unanimous-consent request.

The SPEAKER. On this subject?

Mr. RUCKER. No; to put in the Record a resolution of a bank in my district declaring that from this time to the end of the war it will pay interest on deposits on monthly balance to the Red Cross, and pay all dividends accruing to the bank to the Red Cross without declaring to the stockholders anything of the proceeds.

The SPEAKER. The gentleman from Missouri asks unanimous consent to extend his remarks in the Record. Is there objection?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. The question is on agreeing to the motion to go into the Committee of the Whole House on the state of the Union.

The motion was agreed to.

The SPEAKER. The gentleman from Missouri [Mr. RUCKER] will take the chair.

Mr. MASON. Mr. Speaker—

The SPEAKER. For what purpose does the gentleman from Illinois rise?

Mr. MASON. I rise on the question of a lack of a quorum. I make the point of no quorum.

The SPEAKER. The gentleman from Illinois makes the point of no quorum. The House has already gone into Committee of the Whole.

Mr. MASON. It has not gone yet.

Mr. GARRETT of Tennessee. The Speaker had called the Chairman to the chair.

The SPEAKER. That is what the Chair was deciding. The gentleman from Illinois can raise the point of no quorum in the committee. Of course there is a difference in the number required to make a quorum, but the Chair can not help that.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 9248) to prevent extortion, to impose taxes upon certain incomes in the District of Columbia, and for other purposes, with Mr. RUCKER in the chair.

Mr. MASON. Mr. Chairman, I make the point of order that there is no quorum present.

Mr. JOHNSON of Kentucky. Mr. Chairman, pending that, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Illinois makes the point of no quorum present. The Chair will count. [After counting.] Eighty-nine Members present—not a quorum.

Mr. HAMLIN. Mr. Chairman, I call for tellers on that.

Mr. WALSH. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. What is the gentleman's point of order?

Mr. WALSH. That the Chair has decided that there is not a quorum present and can not use tellers to ascertain that fact.

Mr. HAMLIN. We can have tellers to determine whether there is a quorum present.

The CHAIRMAN. There is not a quorum present. The Clerk will call the roll. The Doorkeeper will lock the doors. The Sergeant at Arms will notify absentees.

The Clerk proceeded to call the roll, when the following Members failed to answer to their names:

Ashbrook	Francis	LaGuardia	Platt
Austin	Gandy	Leshner	Porter
Barnhart	Garland	Lewer	Riordan
Beakes	Glass	Lundeer	Rosenberg
Bell	Godwin, N. C.	Lunn	Rowland
Cantrill	Goodall	McCormick	Sanders, ind.
Capstick	Gray, Ala.	McLaughlin, Mich.	Sanders, La.
Connally, Tex.	Gray, N. J.	McLaughlin, Pa.	Scott, Pa.
Crosser	Harrison, Miss.	Maher	Scully
Curry, Cal.	Hastings	Miller, Minn.	Shouse
Davidson	Heintz	Montague	Snyder
Deut	Hollingsworth	Mudd	Sterling, Ill.
Drukker	Hood	Neely	Sullivan
Dunn	Humphreys	Nicholls, S. C.	Taylor, Colo.
Dyer	Hutchinson	Nichols, Mich.	Vare
Edmonds	Johnson, S. Dak.	Olney	Ward
Fairchild, G. W.	Kahn	Osborne	Wilson, La.
Flynn	Kehoe	Padgett	Winslow
Foss	Key, Ohio	Phelan	Zibelman

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. RUCKER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having under consideration the bill H. R. 9248 found itself without a quorum; whereupon he caused the roll to be called, when 350 Members answered to their names, and he reported the names of the absentees, to be printed in the Journal.

The committee resumed its session.

The CHAIRMAN. The gentleman from Kentucky [Mr. JOHNSON] asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. STAFFORD. Mr. Chairman, reserving the right to object, I believe this bill has been so recently reported, and so few Members have had an opportunity of knowing its provisions, it would be better to have the bill read.

Mr. JOHNSON of Kentucky. I suggest that every gentleman will have a chance to read the bill while I am talking.

Mr. STAFFORD. They all want to pay attention to the gentleman when he speaks.

The CHAIRMAN. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the term "real estate" as herein used shall be construed to include lands, buildings, parts of buildings, houses, dwellings, apartments, rooms, suites of rooms and every other improvement or structure whatsoever on land situated and being in the District of Columbia.

The word "person" when used in this act shall be construed to include individuals, partnerships, joint-stock companies, associations, corporations, societies or bodies corporate.

Any word in this act importing the masculine gender shall be construed to extend and be applicable to females or artificial persons or bodies.

The terms "income from real estate" as herein used shall be construed to include all amounts received for the daily, weekly, monthly, or yearly use or occupancy of real estate or for any part of any of such periods of time.

SEC. 2. That, in addition to other taxes imposed by law, there is hereby levied and shall be assessed, collected, and paid to the District of Columbia an annual tax of 100 per cent upon so much of the income from real estate of every person, whether resident or nonresident of said District, received from and after December 31, 1916, as exceeds the deductions herein allowed. For the purpose of ascertaining the amount of income subject to said tax, there shall be deducted from the gross income reported as herein provided so much thereof as equals the average amount charged for the use and occupancy of the same property for the same or a corresponding number of days, weeks, months, year or 18 months, or for any part of any of such periods of time, in, of, or during the 18 months immediately preceding September 30, 1916, plus 10 per cent thereof additional, except in cases where the property was rented or leased "furnished" during the period before September 30, 1916, entering into the computation, and is rented "unfurnished" during the taxable period, in which cases the said additional deduction shall not be allowed.

If no such income was charged or received during said period of 18 months, then the deduction from such gross income shall be an amount equal to 10 per cent of the value of the property producing the income including furniture, if any, as determined by the assessor of the District of Columbia.

In cases where the property was rented "unfurnished" for the period before September 30, 1916, used in the said computation, and is rented "furnished" during the taxable period, then the additional deduction from such gross income shall be increased to 15 per cent.

If the real estate producing the income has been materially improved since September 30, 1916, there shall be an additional deduction from such gross income of an amount equal to 10 per cent of the actual cost

of such improvements; *Provided*, That no such deduction shall be allowed for the cost of repairs made necessary or desirable by the ordinary wear and tear of rented or leased property.

No other exemption or deduction from such gross income shall be allowed. It is the intent and purpose of this act to tax at the rate herein fixed so much of every income from real estate as exceeds the deductions specifically authorized by this section.

SEC. 3. That, on or before the 10th of July, 1918, a true and accurate return under oath shall be made by each "person" subject to said tax, or his authorized agent, to the assessor of the District of Columbia, setting forth specifically the gross amount of such income from all separate sources accrued during the period from December 31, 1916, to June 30, 1918, and the deductions to which he may be entitled under this act; and the said taxes thereon, computed as provided in section 2, shall become due and collectible on or before September 1, 1918. And on or before the 10th of August, 1918, and of each and every month thereafter a true and accurate return under oath shall be made by each "person" subject to said tax, or by "his" authorized agent, to the said assessor, setting forth specifically the gross amount of such income from all separate sources accrued during the next preceding month, together with a statement of such deductions. If any person subject to said tax fails to make any such return at the time herein fixed, or makes, willfully or otherwise, a false or fraudulent return the assessor of the District of Columbia shall make the return from his own knowledge or from such information as he can obtain through testimony or by any other means; and the return so made shall be sufficient for all purposes of this act. To the amount of the tax due upon all returns so made by the assessor there shall be added a penalty of 50 per cent of the tax; but when it shall appear that the failure to file the return or the making of a false return was due to an unavoidable or excusable cause the said penalty may be abated by the Commissioners of the District of Columbia. It shall be the duty of said commissioners to prepare and furnish to each taxpayer making application therefor printed forms on which such returns shall be made. The said tax and all penalties thereon shall constitute a superior lien on the "real estate" from which the income has been derived, and shall be assessed and collected by the same officers, at the same time, except as herein otherwise provided, and by similar proceedings as other taxes on real and personal property in said District.

SEC. 4. That if any person or agent subject to said tax fails to file his return as and when herein required, or offers to file a return which, in the opinion of said assessor, is erroneous, false, or fraudulent, the said assessor shall be empowered to examine the books, papers, and accounts of such person and to summon him or any other person having possession, custody or care of books, papers, and accounts relating to the business or income of such person, or the lessee, or any other person, to appear before him and produce such books, papers, and accounts at a time and place named in the summons, and to give testimony and to answer interrogatories under oath respecting any subject relating to the said income or the return thereof.

SEC. 5. That all leases, contracts, and agreements, expressed or implied, providing for the payment of any larger amount of money, or at a higher rate, than that fixed by the deductions herein allowed, for the use or occupancy of any "real estate," are hereby declared to be contrary to public policy and unenforceable; and any person who shall hereafter pay for the use or occupancy of any "real estate" any amount of money, or at a rate exceeding that fixed by such deductions, may sue therefor in the municipal court or in the Supreme Court of the District of Columbia, without regard to the amount in controversy, and in such action shall be entitled to recover of the person receiving such excess, or his agent in the transaction, double the amount thereof and the costs of suit, including a reasonable attorney's fee of not less than \$50; but no such action shall be instituted more than five years after the termination of the lease or other agreement under which such payments were made.

SEC. 6. That the provisions of this act shall not apply to any income from real estate, the amount of which was fixed by lease, contract, or agreement made before October 1, 1916, and which was not subsequently increased except as stipulated in such lease, contract, or agreement.

SEC. 7. That the Commissioners of the District of Columbia are hereby authorized and directed to make all reasonable and needed rules and regulations for the enforcement of this act.

SEC. 8. That this act shall remain in force until one year after a treaty of peace between the Imperial German Government and the Government of the United States of America shall have been concluded.

The CHAIRMAN. The gentleman from Kentucky [Mr. JOHNSON] has one hour and a half.

Mr. JOHNSON of Kentucky. Mr. Chairman, I believe that this is one of the many very important bills before Congress. Here, at the Capital of the Nation, a condition exists which, I believe, does not exist anywhere else in all the civilized world. I do not believe, however, that it will be necessary for me upon this occasion to be compelled to show to the House that extortion in its most infamous form is being practiced to an extent never practiced anywhere before, because I believe that the membership know of this condition without my telling them of it. However, I will devote at least a small portion of the time allotted to me for the purpose of inviting attention to some particular instances of extortion. I have in my hand a letter dated February 11, 1918, from an Army officer at present located in the District. Before I read the letter, however, it might be best for me to say that opposition to the passage of this bill to stop rent profiteering comes from three sources:

First, from some gentlemen upon the floor of this House who, I am sorry to say, seem willing that it should continue.

Another source of opposition is the real estate men of the city. I can understand their opposition, particularly when I know that they and their clients are the profiteers.

Another source of opposition is the Evening Star, which since I have been in Congress has been the apologist for many things that are absolutely wrong. In former instances where the interests of the Government clerks were at stake, this paper has

defended the Government clerks. For that I praise it. But in this instance the Washington Star is confronted by a double question—the Government clerks upon one side, to whom it wishes to sell its papers, and the real estate men upon the other side, from whom it receives hundreds of thousands of dollars every year in the way of pay for advertisements.

In taking its choice between the Government clerks whose pennies it takes for subscriptions and the real estate people who contribute thousands to the maintenance of the paper, they forget the Government clerks and go to that side of the question which furnishes the largest revenue. This paper, as every one of you knows, during the last few days has taken the position, indirectly at least, that this profiteering should not be interfered with; and when it takes that position it means that the profiteering must come from the Government clerks and those who pay their pennies to support the paper; and that those who furnish it hundreds of thousands of dollars in the way of advertisements shall go untouched.

Now I will read a letter, as I said, from an Army officer. It is addressed to the editor of the Evening Star, and says:

DEAR SIR: There has been a great deal of editorial comment in your paper lately concerning the pending House bill to punish extortion in the District—very little news or comment on the bill itself. If the Star is a newspaper, why not give as much publicity to the bill as you do to attacks on it, or on the Government's prosecution of the war?

There is one gem of humor in your editorial of Friday evening, February 8, which deserves a place among the classics with Josh Billings's and Joe Miller's best; it is: "Wealthy newcomers are competing with one another in the tender of tempting rental offers," etc.

Poor Washingtonians, tempted beyond their power of resistance; but how about the newcomers who are not wealthy, who are poorer by 50 to 80 per cent than we were before we came to help, who have walked the streets in vain for weeks to find a few small rooms for less than \$100 a month?

Look at the tempting (?) offers made by the new landlords in your own paper, then find out the original rent, and push down this veil of hypocrisy and try to help cure a very real evil which anyone who has eyes can see.

The Government asks for new landlords, as it asks for new soldiers, to make a sacrifice, not a fortune.

Yours, truly,

Mr. ALEXANDER. Did the Evening Star publish that letter?

Mr. JOHNSON of Kentucky. I looked in the Star and did not find it.

Mr. Chairman, last night I took a Washington Star of yesterday and looked over a few of the rent advertisements. Under the head of "Furnished rooms for rent" I found 107 advertisements. Out of these 107 advertisements only 17 gave the price at which the room was to be rented. What does that mean? That means that they were ashamed or afraid in the face of this Congress to publish the exorbitant rates that they intend to demand of those who have come here to help win the war.

Under the head of "Rooms wanted" there were 28. Why do these 28 people who have come to Washington to do their bit have to advertise for rooms when 107 rooms are right here before their faces advertised for rent? The answer is, that the prices are too high; that they are not able to pay them, and consequently they themselves put advertisements in the same paper, seeking quarters within the reach of their poor purses.

In yesterday's Star, under the head of "Furnished rooms," 14 apartments were advertised, and out of those only 5 have the audacity to state the prices. But that is not all. In the same paper 16 people advertised for rooms or apartments right by the side of these 14 apartments which were advertised for rent. Is it not reasonable to suppose that these people who are advertising for apartments have gone to see the advertised apartments, but could not get them because the price was beyond their reach? We have a concrete case where the secretary of the gentleman from Ohio [Mr. Gordon] tried to get a room, and one of the principal real estate agencies in town would not let him go and look at a room until he deposited \$35. When he went and looked at it he found that he could not live in it, and this scoundrel refused to give him back the \$35 or any part of it. If rumors be true, and I hope they are, as a result of a grand jury investigation, the United States marshal in a few days will wait upon this particular gentleman. [Applause.]

Rents in Washington are well known to all. I see in the Star here that there is a good chance for a Government clerk on a \$900 salary to get three rooms in Massachusetts Avenue at \$300 a month. I see another place where he can get two rooms—a small room and a kitchenette, for \$80 a month. Here is another place on Connecticut Avenue where he can get two rooms for \$200 a month. Here is another place, an apartment of two or three bedrooms, from February 20 to June 15, at \$300 a month.

Mr. SMITH of Idaho. Has the gentleman any information what these apartments rented for a year ago?

Mr. JOHNSON of Kentucky. I have not. I did not see these advertisements until last night. Here is another apartment, fur-

nished, for \$125 a month; another at \$160; another at \$250; another at \$300; another at \$250; another at \$250; another at \$250; another at \$150; and a very modest apartment, within the reach of every Government clerk, at \$200.

Mr. WINGO. What is the gentleman reading from?

Mr. JOHNSON of Kentucky. From the Washington Evening Star.

Mr. TAYLOR of Arkansas. Do these prices include board?

Mr. JOHNSON of Kentucky. No; simply the rent of the rooms or apartments. I have in my hand a clipping handed me by the secretary of the gentleman from Ohio, Mr. Gordon, in which rooms are advertised for rent in the city of Cleveland, a city of 800,000 inhabitants.

Here is a furnished flat for \$40 a month. Here is one at Forestdale, three rooms and a bath, first floor, furnished, \$25 a month; another, five rooms and bath, completely furnished, with a piano, \$35 a month. These are houses, not rooms. Here is another house of five rooms and a bath for \$25. Another place, six rooms and a bath, furnished, \$30 a month.

Mr. MOORE of Pennsylvania. In what city are these lower rents?

Mr. JOHNSON of Kentucky. Cleveland, Ohio.

Mr. MOORE of Pennsylvania. Does not the gentleman think it is worth the difference to live in Washington? [Laughter.]

Mr. JOHNSON of Kentucky. If the gentleman had said Philadelphia instead of Washington, I might have agreed with him.

Mr. SMITH of Michigan. Rockefeller lives in Cleveland, does he not?

Mr. JOHNSON of Kentucky. I believe it is difficult to determine just where Mr. Rockefeller does live. Here is another house, of seven rooms, at \$40; another adjacent to Edgewater Park, eight rooms, two baths, large porch, and sun porch, \$85. Another six-room house, with a furnace and garage and garden, \$18 a month. Here is another of eight rooms, well furnished, for \$45 a month. Here is another, an apartment, for \$20 per month. That illustrates, in short order at least, the difference in rent between this city and the city of Cleveland.

Mr. TINKHAM. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. TINKHAM. I desire to ask the honorable Representative from Kentucky if he does not believe there are places, apartments, and rooms that can be obtained in Washington of a different sort than the advertisements in the Star show, of the same kind that the advertisements or the newspaper articles show can be had in Cleveland, and for the same price?

Mr. JOHNSON of Kentucky. I do not.

SEVERAL MEMBERS. No! No! No!

Mr. TINKHAM. Does he not think there are apartments and rooms that can be had for \$45 a month in Washington?

Mr. JOHNSON of Kentucky. I have seen some advertisements recently in the Washington newspapers to that effect, and I have talked with people who have gone to see them, and without exception every one of them has told me that when he got to the place where the room was advertised he found that the price had been raised. I have a letter here with me, which I do not find for the moment, which tells of this instance. Two Government clerks in Washington were renting a house at \$75 a month. Others came on, and three others, making five all told, saw an advertisement of a house for \$250 a month, furnished. They concluded they would rather go to this house at \$250 a month and all five families go into it—whether they had families or not I do not know—but all five of these clerks at least, and divide the rent. When they went to see the house which was advertised in the newspaper at \$250 per month, what did the woman tell them? She told them that she had raised her price from \$250 a month to \$1,000 a month, or \$8,000 for eight months. I have that statement in writing with me, signed.

Mr. BENJAMIN L. FAIRCHILD. Possibly she did not like their appearance.

Mr. JOHNSON of Kentucky. It was their pocketbooks that she did not like, else she would have closed the deal with them at \$250 a month. This letter further states that the combined salaries of the five men did not amount to \$1,000 a month.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. SMITH of Michigan. Can the gentleman tell how many vacant houses there are in the city of Washington that are for rent?

Mr. JOHNSON of Kentucky. No; I can not; but I believe from what I have gathered that most of those that are for rent are beyond the reach of the pocket of the man who is brought here to do his bit in this war.

Mr. SMITH of Michigan. Every paper carries a list, does it not?

Mr. JOHNSON of Kentucky. I just read a long list.

Mr. MOORE of Pennsylvania. It is patent that a clerk who earns \$1,200 a year or thereabouts can not pay \$1,000 a month rent for an apartment.

Mr. JOHNSON of Kentucky. But these people would have him pay it.

Mr. MOORE of Pennsylvania. To whom does the gentleman think these apartments are rented at these large figures?

Mr. JOHNSON of Kentucky. I can tell of one instance where a man found himself in a \$75 a month house, with a sick wife and a sick child. He was getting \$2,400 a year. The rent was raised on him from \$75 a month, if my memory serves me correctly, to \$250 a month. He could not go out with a sick wife and child into the snow and the storm, and he went beyond his salary and into his savings and paid it, and for this month the same man is asked \$350 for the same premises.

Mr. MOORE of Pennsylvania. That is unfortunate and reprehensible.

Mr. JOHNSON of Kentucky. And by this bill I am after the reprehensible part of it.

Mr. MOORE of Pennsylvania. Is it not a fact that a great many men have been invited to come to Washington, men of wealth, some of them, to work for a very little compensation, who can afford to pay these large rents for apartments and houses, and is it not due to the fact that they are ready to pay these prices that the people of Washington that have property to rent have gotten on to the fact that they can get them?

Mr. JOHNSON of Kentucky. Something of that is true. I heard of an instance—in fact, a real estate broker told me—where a man here had a house worth about \$35,000, and a man offered him \$16,000 a year rent if he would get out and surrender it to him. I have no more sympathy for the one than I have for the other.

Mr. MOORE of Pennsylvania. I wonder whether the man who owns the property can be held under the gentleman's bill for asking any price he sees fit for his property.

Mr. JOHNSON of Kentucky. I do not care what he asks, but if this bill passes it will stop the practice of profiteering in the District of Columbia. [Applause.]

Mr. MOORE of Pennsylvania. The question with me is whether some responsibility does not rest with the man who is willing to pay these exorbitant prices, and who thus contributes to the general increase in rates all over the District.

Mr. JOHNSON of Kentucky. I think he is culpable, also.

Mr. FOCHT. Mr. Chairman, will the gentleman yield?

I would like to ask this in connection with the articles read from the newspaper, whether the responsibility rests with the owner of the property or with a speculator who is readvertising these places for rent?

Mr. JOHNSON of Kentucky. I shall come to that presently.

Mr. FOCHT. I wish the gentleman would. I know of instances where apartments have rented for \$30 and sublet for \$125. I think we should get at the right person.

Mr. JOHNSON of Kentucky. I shall come to that later on. Among the many letters that I have received is one from a gentleman complaining of an extortionate raise in his rent. He is in the life insurance business here in Washington, and he hails from the city of the gentleman from Massachusetts, Boston.

Here is a complaint which has reached me, of Mrs. M. E. Parkins, who lives on Euclid Street. She has a landlord by the name of Saunders, and she has been paying \$50 a month rent, and he has raised her rent to \$100 a month and has been to see her and urged her to sublet the property at \$200 a month, saying that he was doing some of that sort of renting. Here is an extravagant, outrageous thing. In looking over the letter hastily, without reading it all, I find a complaint from Massachusetts Avenue, that the landlady has 93 people, some girls sleeping three in a room, and charges \$37.50 each, and the letter says:

I think somewhere there are only one or two in a room.

The \$37.50 includes board, and that is high, including the number of people who are forced into one room. This same woman has the Kaiser's picture in her bedroom, and that is going some.

I have here another communication, where the writer says that his rent has been increased 450 per cent. Here is another, whose rent has been increased from \$35 to \$40. Here is another, where the rent has been raised from \$15 to \$40. And here is a letter from a man who says that he has four sons who have gone to the front, and his rent has been raised about 100 per cent. He says in his letter that he and his family, to the fullest extent that they can do so, have been buying the smaller denominations of liberty bonds and the war stamps, and that he prefers to give whatever money he has to spare to that good

cause rather than to the profiteering landlords of the District of Columbia. [Applause.] Here is an instance where more rent is paid for one room in a house than the landlord pays for the whole house. Here is another instance of an increase of 100 per cent, and here is one where the rent has been increased from \$50.50 to \$75. Right there, why the 50 cents? I have asked that question, and they tell me it is to cover water rent. And I see they raised one poor widow's rent from \$51.33 a month to \$100.

I asked her what the \$1.33 a month was for, and she said: "That is to pay the water rent." I said: "What does your water rent amount to?" She said she did not know. I then wrote a letter to the Commissioners of the District of Columbia and asked them what the water rent was for premises 207 First Street NE., or NW., I am not sure which, and they wrote me that the basis of the water rent was \$4.50 a year, but that excess water had been used and for one year they had charged these premises \$9 and something a year and another year \$7 and something, and for another year \$7 and something. I asked for the next preceding three years, and found that poor woman had been compelled to pay \$16 a year water rent, when her landlord was paying only \$7 and \$9 for that service. That much money was being stolen from this woman, and I would be glad to see a grand jury get hold of that case and somebody punished. [Applause.]

Here is a communication which says Mr. Gill was paying \$43.50 per month, and they put the 50 cents on; the lease expires October 1, 1918, and he was not allowed to sublet his apartment; his wife died and he surrendered the lease to the real estate agents, Shannon & Luchs. Mrs. Peters called on the real estate agent and was told the rental would be \$150 a month.

Here is a communication from a man who complains of his rent having been raised on his storehouse something like 50 per cent, and he asks the very pertinent question why it is that Congress permits his landlord to increase the rent upon him when the law forbids him increasing the price of the food-stuffs which he must sell from this storehouse. [Applause.]

Here is a communication from another whose rent has been raised three times in the last nine months; and from another who has been raised 100 per cent; and here is another, and I have indorsed on the back of the envelope that while his sons are in the service the rent has been extortionately increased. Here is another case of a raise of 150 per cent.

Mr. SLOAN. Will the gentleman yield at that point?

Mr. JOHNSON of Kentucky. I will.

Mr. SLOAN. I am very much interested in what the gentleman is saying, and I would like to ask him, Is it not a fact that the owners of these properties contribute to the District of Columbia only one-half of taxation for the support and protection of their property. Is not that the rule?

Mr. JOHNSON of Kentucky. The people of the gentleman's State and mine, and of every other Member of this body, bear their own tax, and then, in addition, pay half of the expenses of the District government.

Mr. SLOAN. One other question. Has the gentleman any figures—I think they would be very interesting—to compare the valuation fixed by the taxing authorities on these various properties with these rental amounts? I think the gentleman will find that the rentals now being charged on a good deal of this property for a year or so are more than the valuation on these properties fixed for assessment purposes. Is not that the fact?

Mr. JOHNSON of Kentucky. I have not gone over those figures, but I fear the gentleman is correct.

Mr. SLOAN. I would like for the gentleman to look into that.

Mr. MEEKER. Will the gentleman yield for a question before he goes beyond the point brought out by the gentleman from Nebraska calling attention to the fact that property owners pay half the taxes and the Government the other half—that is considered a fair deal—

Mr. JOHNSON of Kentucky. I do not think so.

Mr. MEEKER. The Government certainly occupies enough territory here at the present time that it should bear the burden.

Mr. JOHNSON of Kentucky. We are getting into a question now that is entirely foreign to the subject under discussion; but I do not believe the gentleman is at all familiar with the extent to which the Government owns property in the District of Columbia.

Mr. BURNETT. Will the gentleman yield?

Mr. JOHNSON of Kentucky. I will.

Mr. BURNETT. Does the bill of the gentleman provide for the extortionate increases by hotel people?

Mr. JOHNSON of Kentucky. It does, and I will come to that later.

Mr. BURNETT. And may I ask the gentleman, does the bill provide for a case of this kind, where a hotel man permits an elevator to remain out of commission for a week or 10 days and

guests have to walk up and down the stairway for that length of time?

Mr. JOHNSON of Kentucky. No; it does not.

Mr. BURNETT. I call the gentleman's attention to the fact that I have a "feeling" knowledge of a case of that kind. [Laughter.]

Mr. GREENE of Vermont. If the gentleman will permit, I would like to call his attention to the fact that a great many hundreds of Army officers have been ordered by the War Department to come to this city for duty. They do not come here from choice. And finding that there are no quarters such as are usually provided by the Government for such officers, they have been obliged to pay these rents; and so they, too, have been imposed on outrageously when they come here to serve their country in time of war.

Mr. JOHNSON of Kentucky. In answer to that I will say to the gentleman that only a few days ago the Comptroller of the Currency called me up and said that he had knowledge, coming to him only the day before, of where the War Department, I believe it was, had called a man here from Norfolk, Va., an official, to be consulted relative either to the war or naval conditions down around the Chesapeake Bay. That man, I say, living at Norfolk, was a public official. As such, under the law he was allowed \$5 a day for travel and sustenance. When he arrived in Washington at 11 o'clock at night and went to the Raleigh Hotel to sleep from then until 7 o'clock the next morning they demanded of him \$10 for a room—more than \$1 an hour for a bed. He then went to the Harrington Hotel, and there they did let him sleep until morning for \$6, a dollar more than the Government allowed both for his eating and sleeping.

Mr. GREENE of Vermont. May I also suggest to the gentleman that there are a good many young second lieutenants who are ordered to this city for duty, and that they are allowed under the law for commutation of quarters \$12 a month for a room; and one has only to compare the prices which are charged by these highbinder landlords to see where they come out with their salary.

Mr. JOHNSON of Kentucky. Now, Mr. Chairman, I come to the minority report signed by three gentlemen of the committee.

Mr. FESS. Will the gentleman yield to just one observation? Referring to what the gentleman from Vermont [Mr. GREENE] said, I would like to make a statement concerning a high-salaried gentleman who was brought here from New York City. I speak of it because he happens to be a personal friend of mine. He was brought from New York City, from a salary of \$5,000 a year in a very responsible position, and took, on his own choice, a first lieutenancy—and the gentleman will understand the salary. He was loaned from New York to the War Department here. He rented quarters at \$55 a month and brought his family to Washington. He has been notified that his rent at the end of a certain period will be raised to \$75, and also there has been a suggestion of a raise to \$90 to follow. And under a peculiar arrangement that was not anticipated in New York the loaning has ceased, and instead of his salary being made up, as was promised originally, it will not be made up. But here is a gentleman who is serving the country, a high-minded, splendidly educated, well-trained man, at \$2,000 a year, who will have to go off into some place where he can get living quarters that will enable him to live within his salary. I think that is one of the most outrageous things that I know of, leaving out the rest of us who suffer likewise.

Mr. DOWELL. Has the committee made any effort to ascertain whether it would be impossible to compel landlords to clean some of the snow and ice from the sidewalks of the city of Washington?

Mr. JOHNSON of Kentucky. No. The committee has not gone into that subject yet.

As I was saying when I yielded to the gentleman from Ohio, I wish to discuss the minority report signed by three members of the Committee on the District of Columbia.

Mr. DECKER. The gentleman said he would refer to the question of subleases.

Mr. JOHNSON of Kentucky. I will later.

Mr. LINTHICUM. I thought the gentleman was going to take up the hotel question.

Mr. JOHNSON of Kentucky. I will take that up later.

The minority report, signed, as I said, by three gentlemen of the committee, was written, I am quite sure, by the gentleman from Massachusetts [Mr. TINKHAM]. In that minority report he says:

The undersigned believe that most of the alleged improper increases of rentals sought to be eliminated by the bill will not be prevented by it.

If the gentleman's surmise is correct, then I am quite sure he would be willing to withdraw his objection to this bill. I know beyond surmise that the real estate people here would withdraw

their objection to it and let the bill go to final passage if it does not stop profiteering.

Mr. BARKLEY. Will my colleague yield?

Mr. JOHNSON of Kentucky. I will.

Mr. BARKLEY. Does this bill provide for cases where property has not heretofore been rented, private homes?

Mr. JOHNSON of Kentucky. It does; and I will come to all that if I can be given the opportunity.

Mr. BARKLEY. I want to call the gentleman's attention to one instance where an employee of the War Department a few days ago was brought to Washington, and he heard of two rooms and a bath that were for rent. He went out to the private home and asked what they wanted for them, and the lady told him she did not have to rent them, that she did not need the money, but she wanted to help the Government out; that she understood the Government was in a tight place for rooms, and she was willing to take \$275 a month for these two rooms and bath.

Mr. GORDON. A month?

Mr. BARKLEY. Yes; a month.

Mr. GORDON. She was "doing her bit." [Laughter.]

Mr. JOHNSON of Kentucky. That is a fair sample of local patriotism.

The minority report further says:

The enforcement of the provisions of the bill, if passed, would lead to grave injustices and greater abuses than now maintain, and, finally, that the present policy of the Government of the United States to obtain greater housing facilities for both business and residential purposes in the District of Columbia would be retarded, if not defeated.

He says further:

The other novel principles of law contained in the bill, if passed, are unsound and without precedent—

And so forth. Yes; the provisions of this bill are without precedent, and they have to be, in order to meet an extortionate condition which has never had a precedent since the beginning of time. [Applause.]

In the report written by the gentleman from Massachusetts he says:

The bill will affect about \$200,000,000 worth of real estate and about \$15,000,000 worth of personal property in the nature of furnishings and fixtures in the District of Columbia.

Now, in one part of this report the gentleman from Massachusetts says that the property owners themselves are not guilty of this extortion, but that their tenants are, and that if their tenants should not pay the income tax of 100 per cent that is provided for in this bill, and that payment should be made a lien upon the real estate, then the owners of the property would suffer and the tenants who sublet it would not. But does not the gentleman say that the bill involves \$15,000,000 worth of furnishings? And God knows that with \$15,000,000 worth of furniture the owners are amply indemnified.

Further along in the minority report it is stated that the bill is ambiguous in some respects. It may be. I do not claim to be a Daniel Webster or from Boston. It is not only possible, but probable, that something has been overlooked in this bill. If so, I welcome amendments in the way of correction. But God knows I do not want the money lenders to write the usury laws of the land; neither do I want the rent profiteers to write the laws concerning the rental of property in this District. [Applause.]

Mr. CRISP. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Certainly.

Mr. CRISP. My colleague was just calling attention to the provision in the minority report that this would be an injustice to the landlords if their tenants sublet the premises. Is it not true and is it not the regular form, of all leases within the District—

Mr. JOHNSON of Kentucky. I am coming to that—

Mr. CRISP. That the landlord must consent to the subleasing?

Mr. JOHNSON of Kentucky. Yes; but I am coming to that.

I am taking the minority report section by section as I go along, and in that it is stated that the value of these properties must be taken according to their "assessed" value. The gentleman from Massachusetts will see upon careful reading of the bill that in that he is mistaken; that the assessor, under certain conditions, fixes values, but he fixes them for the purposes of this bill, and not for taxation. In order that that may be perfectly clear, since it does not seem to be clear to the mind of the gentleman from Massachusetts, I will offer an amendment to clarify it when we reach that place in the bill.

The gentleman also says in his minority report:

The bill plainly proposes not only to take from the owner of real estate all of the rentals in excess of these amounts from the date of the passage of the bill, but all the rentals in excess of these amounts which have been paid to the owner from the 31st day of December, 1918, to the date of the passage of the bill.

It seems that that part of the bill is not ambiguous at all. The gentleman understands it. That is exactly what I propose to do by the terms of this bill.

Again he says:

The device by which any greater rentals than those allowed by the bill are to be prevented is by the provisions in section 2, that any charge or payment made in excess of these rates and percentages shall be taxed at the rate of 100 per cent and paid to the District of Columbia.

The gentleman understands that aright. I propose by this bill to tax all extortion to the extent of 100 per cent of it.

Further along he says:

It is freely admitted by the proponents of this bill that neither in America nor in foreign countries is there any precedent for it, so far as is known. It is also admitted that the tax of 100 per cent is without any precedent in any American statute or that of any foreign land, so far as is known.

The objections to the bill as drawn are most profound.

I suspect that the gentleman did not understand quite clearly those to whom he refers, and he did not do so if he referred particularly to me. Take the case of whisky. It costs 40 cents a gallon to make, and you have got a tax on it now of about 800 per cent. There are other things that are taxed accordingly. The present income tax of the United States taxes some parts of great fortunes to the extent of 66 2/3 per cent. Under this bill the landlord is permitted to go 10 per cent above the prices of 1916, and after that all is taken in the way of taxation. I am not quite sure that I am exactly right in drafting the bill to permit them to have that 10 per cent.

Mr. LONDON. Mr. Chairman, will the gentleman yield there?

Mr. JOHNSON of Kentucky. I do.

Mr. LONDON. On the subject of the experience of other countries, I understand that New South Wales has passed a similar law, except that they have established a special court which has the power to determine the amount of rent which is to be paid, and that England and France have been tackling this very problem.

Mr. JOHNSON of Kentucky. The gentleman from Massachusetts in his report says that the terms of the bill do not apply to hotels and boarding houses. But I say they do, provided the hotel is run upon the European plan. But the bill does not reach the hotel or the boarding house that is run on the American plan. That is where the room and the board are furnished under one price. But I have prepared an amendment to the bill, which I will offer at the proper time to make a distribution of the price paid between the room and board.

There is one part of the minority report to which I wish to invite particular attention, and that is where the gentleman from Massachusetts says:

The rates of taxation upon real estate of the same kind, or used for the same general purposes, are unequal, which is a violation of the first principle of every measure of sound taxation. Under the terms of the bill, if a piece of property were occupied previous to September 30, 1916, the rate then charged plus 10 per cent fixes the income, which in turn fixes the amount of the tax; or if the property were unoccupied or not built at that time, then the assessed value fixes the income, which in turn fixes the amount of the tax; and if, by chance, the property were a boarding house or hotel where room and board were charged in gross amount, that property under the bill would escape taxation, as no provision of the bill covers property so used; so that in one block there well might be three owners of real estate: one with his income and, consequently, his tax fixed on the basis of what he was charging for rental the 30th day of September, 1916, and 10 per cent more; another with his income and, consequently, his tax fixed on the basis of 10 per cent of the assessed valuation; and a third, providing room and board in gross amount, not coming within the terms of the bill. This plainly would be unconstitutional, as taxation of the same kind of property must be equal and at the same rate, and not discriminatory.

Now, this is not a tax upon real estate. The three houses in the same square of which the gentleman speaks are not taxed at all, but the income from those three houses is uniformly taxed. Bear in mind that it is the "income" that is taxed and not the "real estate."

Mr. LONGWORTH. Will the gentleman yield for a question for information?

Mr. JOHNSON of Kentucky. I yield to the gentleman from Ohio.

Mr. LONGWORTH. How would the amount to be charged be determined for rooms in a hotel which has been recently built and has not been rented?

Mr. JOHNSON of Kentucky. I provide for that in the bill.

Mr. LONGWORTH. The gentleman simply provides that an amount of rent equivalent to 10 per cent of the assessed value may be charged, but that would not provide for the particular charge against certain rooms.

Mr. JOHNSON of Kentucky. Oh, yes; each room is to be taken separately.

Mr. LONGWORTH. How could the gentleman determine that? His bill provides only that where no rent has ever been

charged for a building a rent equivalent to not more than 10 per cent of the assessed value of the property may be charged.

Mr. JOHNSON of Kentucky. No; I did not say "assessed" value.

Mr. LONGWORTH. Of the value to be determined—

Mr. JOHNSON of Kentucky. By the assessor.

Mr. LONGWORTH. That might be workable in the case of one single building; that is to say where there was only one rent charged for the whole building.

Mr. JOHNSON of Kentucky. At the end of each month the books of the hotel can be gone over to see what they collected for the rooms during the whole month and apply that to the cost.

Mr. SNOOK. Mr. Chairman, do I understand the gentleman to say that this provision on page 2, in lines 11 and 12, covers the question of subletting?

Mr. JOHNSON of Kentucky. Read it, please.

Mr. SNOOK. It is—

That, in addition to other taxes imposed by law, there is hereby levied and shall be assessed, collected, and paid to the District of Columbia an annual tax of 100 per cent upon so much of the income from real estate of every person, whether resident or nonresident of said District, received from and after December 31, 1916, as exceeds the deductions herein allowed.

Mr. JOHNSON of Kentucky. It is an income tax, no matter by whom it is received.

Mr. SNOOK. Do I understand the gentleman to say that it covers the question of subletting?

Mr. JOHNSON of Kentucky. Certainly. If the one who sublets gets a revenue from it, that revenue is the income which is taxed.

Mr. SNOOK. Yes; but let me point out to the gentleman that the case of subletting is a rental for mixed property, for the use of the room and the personal property in the room.

Mr. JOHNSON of Kentucky. The bill takes care of that.

Mr. SNOOK. Where is that?

Mr. JOHNSON of Kentucky. My time is running now. If the gentleman will read the bill he will find it. If not, I will find it for him.

Mr. KEARNS. Will the gentleman yield for this question? I do not believe the gentleman understood the question of the gentleman from Ohio [Mr. LONGWORTH]. For instance, here is a hotel which cost half a million dollars to build. We will say it has 200 rooms in it. Some of those rooms are renting for \$1.50 a night.

Mr. JOHNSON of Kentucky. I never heard of such here.

Mr. KEARNS. We will say for illustration some are renting for \$5.

Mr. JOHNSON of Kentucky. That is not up to the price they are charging.

Mr. KEARNS. Five dollars a night?

Mr. JOHNSON of Kentucky. I just recited an instance where a gentleman could not get a room at the Raleigh for less than \$10 from 11 o'clock at night until next morning.

Mr. KEARNS. Suppose they rent one room for \$15. That is a good room. They have a more expensive room for \$25 per night. I never heard of any such prices as that and I can not deal with those figures, but I am using that for an illustration. How are you to know that a room that rented for \$15 per month is renting for 10 per cent of the cost of construction and furnishing of that one identical room?

Mr. JOHNSON of Kentucky. Oh, that is dead easy. There is not a house in Washington, there is not a house in any city of consequence that is not erected on the cubic-foot plan.

Mr. KEARNS. That is the way you arrive at it, do you not?

Mr. JOHNSON of Kentucky. I do not know how the assessor would arrive at it, but that would be the first step I would take.

Mr. LINTHICUM. May I ask the gentleman a question for information?

Mr. JOHNSON of Kentucky. My time is running.

Mr. LINTHICUM. We want to get all the information we can on the subject, and I think the gentleman ought to give it to us.

Mr. JOHNSON of Kentucky. My time is so short I can not answer every question.

Mr. LINTHICUM. We will have to get it from some one. Is the provision on page 3, line 5, the one which covers hotels that have not been in operation heretofore?

Mr. JOHNSON of Kentucky. I will ask the gentleman to read it.

Mr. LINTHICUM. Do I understand that such a hotel would only be entitled to receive 10 per cent upon the valuation placed upon the property?

Mr. JOHNSON of Kentucky. New hotels.

Mr. LINTHICUM. How about the service that they render?

Mr. JOHNSON of Kentucky. They get paid for that forty times over in the restaurant.

Mr. LINTHICUM. No; I mean the service they give to the rooms—bell boys, chambermaids, and so forth.

Mr. JOHNSON of Kentucky. The profit allowed for that is quite ample, except from the standpoint of the millionaire.

Mr. LINTHICUM. Ten per cent upon the valuation placed upon the property?

Mr. JOHNSON of Kentucky. Yes.

Mr. LINTHICUM. In my town we expect to receive 10 per cent upon real estate, to provide for taxes, repairs, and so on.

Mr. JOHNSON of Kentucky. That will pay it and more.

Mr. LINTHICUM. And that is for the house itself—not for any service whatever.

Mr. KEARNS. I am intensely interested in this, and I am going to vote for the gentleman's bill whether it will cure this evil or not, because I am in sympathy with any attempt to stop these highbinders of Washington. I would like to see some provision put in this bill that would require putting into each hotel room a statement of what the lessee of that room ought to pay per night for that room.

Mr. JOHNSON of Kentucky. I have seen that in a number of hotels, and I believe it ought to be done here.

Mr. KEARNS. Could you put that in this bill?

Mr. JOHNSON of Kentucky. I believe it ought to be done.

Mr. KEARNS. I would not know, if I was going to rent a room, and neither would the gentleman, whether I was being charged an exorbitant price for that room.

Mr. JOHNSON of Kentucky. I always inquire before I take a room.

Mr. KEARNS. Then if they should tell you, "This room is worth \$3" or "this room is worth \$5" you would know.

Mr. JOHNSON of Kentucky. I believe the suggestion made by the gentleman is a good one.

Now, the gentleman from Massachusetts [Mr. TINKHAM] says this bill is unconstitutional. I ask the attention of the House to the question of constitutionality. The Constitution of the United States says:

SEC. 10. No State shall enter into any treaty, alliance, or confederation; grant letters of marque and reprisal; coin money; emit bills of credit; make anything but gold and silver coin a tender in payment of debts; pass any bill of attainder, ex post facto law, or law impairing the obligation of contracts, or grant any title of nobility.

Until quite a few years ago it was a novel proposition to me that a State could not pass a law impairing the obligation of contracts, while the Congress of the United States could. Now, I lay down the broad principle that while a State, under the Constitution of the United States, can not enact a law impairing the obligation of contracts, the Congress of the United States can do so. And it has done so in many instances.

I have before me a number of decisions relative to the limitation of the power of the State, and I find this language used:

This clause is a limitation on the legislative power of the State, whatever form it may assume.

And then:

The United States are not included within the constitutional prohibition which prevents a State from passing laws impairing the obligation of contracts.

There are a large number of opinions cited to sustain that. Then I have a case decided by Mr. Justice Brewer, where in the opinion this language is used—

Mr. LITTLE. Will the gentleman please give the volume and page?

Mr. JOHNSON of Kentucky. It is in the Federal Reporter, volume 105, page 297:

We deem it wholly unnecessary to indulge in any extended discussion of the question which has been raised whether the act of Congress aforesaid impairs the obligation of contracts and is for that reason void. First, because the inhibition against the exercise of such a power which is contained in section 10, Article I, of the Federal Constitution, is not addressed to the National Legislature but to the legislatures of the several States.

Mr. MADDEN. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. MADDEN. I heard the gentleman's suggestion a few moments ago that owners of buildings that have not been occupied would not be permitted to collect rent to the extent of more than 10 per cent of the cost of the building. Has the gentleman thought about the fact that there is 5 per cent depreciation on buildings every year?

Mr. JOHNSON of Kentucky. Yes; but I do not believe it.

Mr. MADDEN. That is true.

Mr. JOHNSON of Kentucky. I live in a house that has been built nearly 100 years, and it is about as good now as it ever was.

Mr. MADDEN. But there has been a lot of money expended for repairs.

Mr. JOHNSON of Kentucky. A new roof put on now and then.

Mr. MADDEN. It probably averaged 5 per cent of the value or cost.

Mr. JOHNSON of Kentucky. Seventeen years ago I built a building on a piece of property in my town for business purposes, and the repairs on it have not been one-half of 1 per cent.

Mr. MADDEN. That may be true in that instance, but the average depreciation runs about 5 per cent.

Mr. JOHNSON of Kentucky. I know that people who want big rents claim that, but I do not believe it. No house is all gone in 20 years.

Now, another objection in the minority report is the claim that the landlords are not guilty of extortion; that their tenants alone are guilty of it. I have read you instances in the paper where the landlords are the guilty ones. Now, let me invite your attention to this fact: I do not know a landlord in this city who has ever leased a piece of property to anybody that did not include in that lease a clause that the property should not be sublet without the written consent of the landlord. Therefore I say the landlord is particeps criminis when he permits his tenant to sublet at an extortionate rate.

Mr. BENJAMIN L. FAIRCHILD. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. BENJAMIN L. FAIRCHILD. Does the gentleman want the House to understand that in case of a house leased by a tenant for the purpose of keeping a boarding house that the lease prevents him from letting rooms without the consent of the landlord?

Mr. JOHNSON of Kentucky. That is what the lease says, and I will tell the gentleman why they are more particular about it now than they were before. It is on account of the Kenyon anti-red-light district law, which provides that under certain circumstances the furnishings with the property is forfeited if prostitution is permitted to go on there; and the landlords are extremely particular to see who goes into their houses as tenants. I say that if this bill becomes a law these self-same landlords will see who their subtenants are in order that extortion shall not be practiced.

Mr. BENJAMIN L. FAIRCHILD. Does not the gentleman know that hundreds of houses in the city of Washington are originally leased by tenants for the purpose of running them as rooming and boarding houses, that they lease them for that purpose, and that it is a part of the lease that they are permitted to use them for that purpose?

Mr. JOHNSON of Kentucky. I beg the gentleman's pardon, but my time is running rapidly.

Mr. BENJAMIN L. FAIRCHILD. The gentleman stated that all the leases in the District of Columbia had that clause against subleasing, but the gentleman is mistaken. The common sense of any Member of the House will show that no man who rented a house for the purpose of renting rooms in the house would consent to that.

Mr. JOHNSON of Kentucky. There are some gentlemen who lack common sense, but that does not reach the question. If this bill is passed it will stop profiteering.

Mr. COOPER of Wisconsin. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Briefly.

Mr. COOPER of Wisconsin. The gentleman from New York who interrupted the gentleman from Kentucky was not very clear in his statement. The lease specified was a lease from the landlord to a tenant for the purpose of a rooming house. That tenant could not sublet it to another tenant for the purpose of a rooming house without the consent of the landlord.

Mr. BENJAMIN L. FAIRCHILD. But he could rent rooms in the house without consulting the landlord.

Mr. COOPER of Wisconsin. Exactly, and that is the gentleman's mistake. The landlord picks out a good man for a tenant who will see that the character of the house is kept up. He could not sublet it to another tenant without the consent of the landlord.

Mr. BENJAMIN L. FAIRCHILD. No.

Mr. JOHNSON of Kentucky. Mr. Chairman, so much of my time has been taken by questions and arguments of other gentlemen who can get in later under the five-minute rule, that I feel that I must decline to yield for further questions or for statements by other gentlemen.

Mr. LINTHICUM. I want to ask the gentleman one question for information.

Mr. JOHNSON of Kentucky. No; I can not yield.

Mr. LINTHICUM. But the gentleman has all of the information and is unwilling to give it.

Mr. JOHNSON of Kentucky. That is an unwarranted statement, in the face of my having just stated that I do not have time. Anyway, I could not give the gentleman a high-school education in five minutes.

Mr. LINTHICUM. I will ask that the gentleman's time be extended.

Mr. JOHNSON of Kentucky. But that can not be done. I decline to yield. I had hoped to be able to take up this minority report and go through it item by item, but I find I shall not be able to do that in my time, and I shall jump now over to the fourth objection urged by the minority report, which is as follows:

Fourth. No distinction is made in the bill between real estate which is let or leased bare of service and heat and those which are let and leased with service and heat; yet the same rate of increase, namely, 10 per cent, is only allowed for each; nevertheless, since September 30, 1916, maintenance and supplies have increased 50 per cent or more in the District of Columbia, coal over 100 per cent, with a great decrease in quality, and the cost of services also has greatly increased. To fix an arbitrary figure the same for both classes of property is unfair and discriminatory. The cost of all maintenance, supplies, and services are advancing and undoubtedly will advance during the continuance of the war; yet the bill fixes, irrespective of these increases, past, present, and future, a rigid limitation on the income until a year after the war has come to an end.

I do not know of any coal that has been increased 100 per cent in price. I have been buying coal right along in small quantities, and I have not heard of any such advance. Along in 1916 and 1917 I paid about \$8 a ton for coal, and I have not paid higher than \$9.25 for coal this winter, and I have bought it in the public market and from whomsoever I could get it. But the gentleman says there is no distinction made between real estate which is let or leased bare of service and that let or leased with service—that the 10 per cent applies to both. I am perfectly willing the gentleman shall offer an amendment to limit the increase in the rent to 7½ per cent for houses where no service is rendered, and let the 10 per cent apply to those where the service is rendered.

Mr. TINKHAM. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. TINKHAM. At this time I desire to ask the honorable Representative from Kentucky whether he would accept as a substitute for this bill a bill of general application against profiteering in the United States, limited to soldiers, sailors, and all employees of the Government?

Mr. JOHNSON of Kentucky. I would suggest to the gentleman that we better take a bird that is in hand and then go later to those in the bush. When he introduces a bill of that character I shall help him pass it.

Mr. TINKHAM. Then, I offer—

Mr. JOHNSON of Kentucky. Oh, no; the gentleman can not offer a substitute now and have it read in my time.

Mr. TINKHAM. As I understand it, I have the promise of the honorable Representative from Kentucky to support such a bill.

Mr. JOHNSON of Kentucky. You have my promise to support a bill prohibiting profiteering anywhere on God's green earth. [Applause.]

But while we have this question up, applying to the District of Columbia, the gentleman should not put himself in the predicament of saying that unless we can get it for all the rest of the United States we should permit this gouging to be done right here in the Nation's Capital.

Mr. Chairman, in a short explanation of the bill, I desire to say that there are three kinds of years in the District of Columbia. There is the calendar year, the fiscal year, and the rental year. The rental year in the District of Columbia commences on the 1st of October and ends on the last day of the next succeeding September, making one year. The rental year of 1916, which was a normal year, has been taken as a basis for rent. This bill allows a 10 per cent increase in rentals on the basis of the rentals of 1916. Three different kinds of propositions are covered in the bill, one for premises that were renting unfurnished in 1916; another for those that were rented furnished; and one for buildings that were vacant in 1916. Then another proposition undertakes to deal with houses rented since September 30, 1916. I expect when the time comes to offer an amendment to cover the objection raised by the gentleman from Massachusetts [Mr. TINKHAM] that apartments or houses in which service is rendered should have more increase than houses in which no service is rendered. I shall offer an amendment at the proper time to take care of that.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. I shall have to decline to yield, as my time has nearly expired.

In this matter great minds have turned out to run in the same financial channel. The mind of the author of the minority report, the mind of the real estate dealer, and the mind of the editor of the Washington Star all are in keeping, and each runs in accord with the other. There is almost no difference between

the minority report, the statements which the Real Estate Brokers' Association has furnished, and the newspaper articles in the Star. There is practically no difference among the three.

Mr. TINKHAM. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. TINKHAM. Does the gentleman know whether the minority report was written first?

Mr. JOHNSON of Kentucky. I do not.

Mr. TINKHAM. Or in what order the articles were written, the minority views, the report of the Real Estate Exchange, and the newspaper articles?

Mr. JOHNSON of Kentucky. I have not the remotest idea as to which was written first. Neither have I any opinion at all as to whether there was any conference among those who wrote the different opinions.

Mr. TINKHAM. Might it not be that the minority, having written their report, the report being so sound and so intelligent, that it was approved by the board and also by this independent newspaper?

Mr. JOHNSON of Kentucky. That not only is possible, but highly probable, because when the gentleman announced that he was going to write a minority report he said he was going to do it in a Boston-like way.

In other words, he meant that that report would come from the intellectual metropolis of the universe.

I regret more than I can tell to be compelled to realize that the gentleman from Massachusetts [Mr. TINKHAM] is not with me in this fight for justice, mercy, and our country's flag.

He and I have served in former Congresses and upon the same committee.

If I recall correctly, in all committee matters, save one, practically we have been of one mind.

When I returned to Washington in December, after several weeks of arduous committee work at East St. Louis, I learned that the gentleman, out of a spirit of patriotic adventure, had gone to the battle front in Italy. I was disappointed in not finding him here. I missed the grasp of his hand and also his cheerful smile and radiant face, but I took abundant consolation out of the fact that my personal friend was making history. In my wakeful dreams of pleasant things I was soothed with the thought that when I went back to Kentucky I might gather my children's children about my knees and tell them to tell their children's children that the close, intimate friend of their ancestor had gone to Italy during the bloodiest war known to man, and there had fired the first American gun against Prussianism and for the liberty of the world.

Yet, when day after day, week after week, I saw this profiteering monster grow into frightful proportions and rear its defiant head over the Capital City of our Nation, in our Nation's hour of need; when I saw this hideous thing plunge a thousand hands into the pockets of those who here are toiling to feed, to clothe, to arm, and to succor our gallant boys over there; when I heard its shameless voice drive their mothers and sisters from the shelter into pitiless storm; when I saw this beast of avarice and extortion prey upon the thousands who came here, each to do his bit in the patriotic cause; when I saw these men and women, boys and girls, turned away and sent back to their homes in the States that this ravenous thing might feed even upon the bones of our heroic dead, I even prayed that the gentleman from Massachusetts [Mr. TINKHAM] might hasten back, if not himself to fire the first gun, at least to give aid to my feeble efforts to strike down the gluttonous rent profiteer.

At last the welcome message was flashed through space that this all but modern Horatio had saved the day—had laid down his sword made bloody in freedom's cause at the bridge—and was returning to his native land to join the chorus, "My country 'tis of thee, sweet land of liberty."

As he sailed, from each of the seven hills of historic Rome there came a thousand voices chanting the first words of Virgil's *Æneid*:

Arma virumque cano, etc.
(I sing of arms and a hero who, first, exiled by fate, came from the coast of Troy to Italy and the Lavinian shore, etc.)

Gibraltar passed the joyous tidings westward. At the Azores binoculars swarmed to the shores, and some youthful Joaquin Miller megaphoned out: "Sail on! sail on! brave Congressman; sail on, and on!"

As the voyage proceeded the world was bulletined that hundreds of German U-boats had ducked to the bottom of McGinty's Sea under his menacing and glaring periscopical gaze.

At last American shores were reached. He hid himself to the intellectual metropolis of the universe and then took up his triumphal march to the Capital City. Imagine my surprise and disappointment when I found that, apparently, at least, something of his patriotism had been lost in a storm at sea, and that

the local profiteers called him "Friend," notwithstanding the fact that his country, following somewhat the thought of Miller, the poet, was saying:

The profiteers grow mutinous day by day;
The clerks grow ghastly wan and weak.
The paid clerk with bowed head gray
In faltering accents tried to speak.
What shall we say, brave Tinkham, say,
If the profiteers in armies drawn,
Await us at the break of day?
Why say, Charge on! Charge on! Charge on! and on!

Mr. Chairman, I reserve the remainder of my time, and I ask the Chair how much time have I remaining?

The CHAIRMAN. The gentleman has six minutes. Does the gentleman reserve the remainder of his time—the six minutes?

Mr. JOHNSON of Kentucky. I do.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. SAUNDERS of Virginia having taken the chair as Speaker pro tempore, a message from the President of the United States, by Mr. Sharkey, one of his secretaries, was received.

TAXES ON CERTAIN INCOMES IN THE DISTRICT OF COLUMBIA.

The committee resumed its session.

The CHAIRMAN. The gentleman from Massachusetts [Mr. TINKHAM] is recognized for two hours.

Mr. TINKHAM. Mr. Chairman, when I was at the front the principle which was most discussed, the policy which the soldiers were carefully taught to adopt, was when you shoot hit the mark, and I say to the honorable Representative from Kentucky that the trouble with his bill is that it does not hit the mark. He shoots, but he does not hit what he aims at. Who is there in the United States, except the beneficiaries, who are not opposed to unfair profiteering, and even they in their secret hearts are ashamed of it. I am as much opposed to unfair profiteering in war times as the honorable Representative from Kentucky, and I will ardently support any reasonable, sane, practical bill which prevents unfair profiteering in rents or in food or in any other human necessity, and I shall offer at the appropriate time a bill which is very much simpler, very much more practical, and which will be of general application in the United States, to prevent the very kind of unfair profiteering which the honorable Representative from Kentucky attempts by this bill to prevent, but does not. The bill which I shall offer will be one of general application, and if no one interposes the point of order that it can not be substituted upon a local bill it will then be adopted by this House and go to the Senate.

The bill reads as follows:

A bill prohibiting any person, lessor, or sublessor from making a larger charge for rooms, apartments, houses, hotel rooms, etc., than the rate charged for such rooms, houses, or dwellings on the 1st day of December, 1917.

Be it enacted, etc., That no person, lessor, or sublessor of a dwelling house, hotel, room, apartment, boarding or lodging house shall charge for the use and occupation of the same by soldiers or sailors of the United States, or any employee, officer, or official connected with the naval, military, or civil service, or any person engaged as laborer, employee, or otherwise in manufacturing or other industry producing ships, food, fuel, munitions, equipment, clothing, supplies, or any other article or thing used by the Government in any capacity during the existence and continuance of the present war with Germany, a larger charge for rental than the rate which was charged for similar rooms, houses, or dwellings on the 1st day of December, 1917. Any person violating this act shall be deemed guilty of a misdemeanor and shall be punished by a fine not exceeding \$500.

Instead of trying to reach by the very effeminate method of taxation the evil of unfair profiteering, as proposed by the honorable Representative from Kentucky, I, coming from virile Massachusetts, will propose a virile remedy for unfair profiteering, making it a crime not only in the District of Columbia but throughout the United States. [Applause.] Now, Mr. Chairman, before I begin the discussion of the bill now before the committee I want to say one word—

Mr. MOORE of Pennsylvania. Before the gentleman goes on—

The CHAIRMAN. Does the gentleman yield?

Mr. TINKHAM. I do.

Mr. MOORE of Pennsylvania. Does the bill the gentleman suggests propose to penalize those who charge rents in excess of those charged in preceding years?

Mr. TINKHAM. There is no penalizing except by way of a tax upon anything in excess of 10 per cent of what the rents were on the 30th of September, 1916, in the bill now before the committee.

Mr. MOORE of Pennsylvania. That is a date prior to our entry into the war?

Mr. TINKHAM. Yes; that is prior to our entry into the war.

Mr. MOORE of Pennsylvania. What does the gentleman think of the idea of averaging those rates for three years prior to the war?

Mr. TINKHAM. Well, it would come nearer to working equity, but I should prefer that a substitute bill be drawn for this—

Mr. MOORE of Pennsylvania. I submit that making a comparison for a series of years would perhaps be more equitable than fixing an arbitrary date.

Mr. TINKHAM. It would be more equitable.

Mr. REED. May I ask what the arbitrary date was, 1916 or 1917?

Mr. TINKHAM. September 30, 1916.

Mr. REED. I understood the gentleman to say 1917.

Mr. MOORE of Pennsylvania. I was referring, since attention was called to it, to the substitute offered by the gentleman from Massachusetts, and I understood the gentleman's bill proposed to compare the high rate now charged with the rates which were charged on a given date preceding the war.

Mr. TINKHAM. That is true. I thought you referred to the bill now before the committee.

Mr. MOORE of Pennsylvania. I was referring to the bill the gentleman said he had introduced.

Mr. TINKHAM. I said I proposed to introduce a substitute to this bill.

Mr. MOORE of Pennsylvania. I asked the gentleman whether he had considered the advisability of making his comparison with the three years preceding the war the average rate paid for three years preceding the war instead of fixing an arbitrary date as he has in the draft of the bill?

Mr. TINKHAM. I had not considered it.

Mr. MOORE of Pennsylvania. That is the method that is followed abroad, as I understand it, and it is a method that has been adopted by the Ways and Means Committee in the revenue bill. That is to say, a prewar period has been fixed. The gentleman could ascertain, if he cared to do that, a fair rental charge by averaging the three years' charge preceding the war.

Mr. GARRETT of Tennessee. Will the gentleman yield?

Mr. TINKHAM. I will.

Mr. GARRETT of Tennessee. The bill that the gentleman proposes to offer as a substitute he concedes is subject to a point of order?

Mr. TINKHAM. I concede it is subject to a point of order.

Mr. GARRETT of Tennessee. Why does not the gentleman draw a substitute that would apply to the District and not be subject to the point of order?

Mr. TINKHAM. Mr. Chairman, I have a second substitute bill here, applying alone to the District of Columbia, if a point of order is raised against my first substitute bill of general application, but it seems to me that a technical rule of parliamentary law should not be invoked if it is possible for us to pass a law here of general application in the United States to unfair profiteering. I am firmly of the belief, as long as this matter of great importance is before us, we should pass a law of general application rather than limited application to the few feet of land here in the District of Columbia.

Mr. LONGWORTH. Will the gentleman yield?

Mr. TINKHAM. I will.

Mr. LONGWORTH. I presume the committee had extensive hearings on this important bill, did it not?

Mr. TINKHAM. Mr. Chairman, there were no hearings on the bill. It was discussed for perhaps an hour and a half in full committee. No amendments were made to the bill as originally introduced, except two textual amendments, and it is, in that condition and after that history, sent here to be considered by us.

Mr. JOHNSON of Kentucky. Will the gentleman yield for a question?

Mr. TINKHAM. Yes.

Mr. JOHNSON of Kentucky. In answer to the question just asked by the gentleman from Ohio [Mr. LONGWORTH], I will say that the Real Estate Brokers' Association, through a special committee, came to me, as chairman of the committee, and said they did not want public hearings. At the time a reporter from one of the local newspapers was in the room, and they even asked him to go out while they discussed the matter with me. They said on both of their visits to me that they wished to discuss it with me instead of with the whole committee. Now, I do not know what the reasons were, but I apprehend they did not want a discussion of it because those here in the city who had been extorted upon would also come and be heard on the other side of the question.

Mr. KELLEY of Michigan. Will the gentleman from Massachusetts yield?

Mr. TINKHAM. I will.

Mr. KELLEY of Michigan. I understand that the gentleman's bill—the one that he proposes to offer as a substitute—applying to the District of Columbia—

Mr. TINKHAM. The one I proposed applies to the United States.

Mr. KELLEY of Michigan. In the event that objection is made to that he proposes to offer a similar one applying to the District of Columbia?

Mr. TINKHAM. Yes.

Mr. KELLEY of Michigan. Has the gentleman thought what authority Congress might have to fix rentals directly in the District of Columbia or anywhere else?

Mr. TINKHAM. That is, applying his question to the bill now before us, but not my bill—

Mr. KELLEY of Michigan. The bill that you propose to offer is a bill to fix the rentals directly. This is a bill to regulate by taxation, which everybody might concede at once Congress would have full authority to pass, but the bill which you propose is a bill to fix rentals in the District of Columbia; and what constitutional warrant would Congress have to do that?

Mr. TINKHAM. Well, of course, I think some of the laws which we have passed since the war began would have been unconstitutional before the war, but to-day are not unconstitutional. I think some of the laws that we pass to-day are undoubtedly, and may be declared, unconstitutional. On the other hand, I believe wherever possible war-time legislation is going to be sustained by the Supreme Court, and if we can fix the price of food, and that is constitutional; if we can fix the price of other commodities, and that also is constitutional, I do not see why we can not fix the price at which real estate can be leased or let. However, I do not say that any of this legislation is constitutional.

Mr. MASON. Mr. Chairman, will my colleague yield for a moment?

Mr. TINKHAM. I will.

Mr. MASON. I think it is due to the chairman of our committee to call his attention to the fact, which was called out in answer to this question of the gentleman from Ohio [Mr. LONGWORTH], that the board did ask for a hearing before the committee, and there was a misunderstanding as to the date. The Committee on the District of Columbia met in order to hear them yesterday morning, as I remember it, or the day before, and it seems from a letter which I have received, and I have no doubt the chairman has received, that there was a misunderstanding as to when the hearing was to be had, and the committee, with the chairman, waited patiently half an hour for them, certainly 20 minutes, and they did not appear, and so we adjourned. Since that, and as a member of the committee, I have received a letter asking for a hearing and I have sent that to the chairman. I thought that was due to the members of this association who wished to be heard.

Mr. JOHNSON of Kentucky. If the gentleman from Massachusetts will permit, I will say that long prior to the occasion to which the gentleman from Illinois [Mr. MASON] has just referred the committee of the Real Estate Brokers' Association came to see me twice and not only argued the matter with me orally but submitted a lengthy typewritten communication. I do not know at all, but I suppose that other members of the committee and other Members of the House were furnished with that. But concerning that I have no knowledge. But they did say most plainly that they did not want open hearing; and then on yesterday morning, when there was a misunderstanding as to the time for the hearing, they indicated that the subcommittee of the real estate brokers only were to come.

Mr. KEARNS. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. KEARNS. It is not very usual that the robber wants an open hearing, anyhow, is it?

Mr. LONGWORTH. Mr. Chairman, will the gentleman yield?

Mr. TINKHAM. Yes.

Mr. LONGWORTH. Mr. Chairman, I will say that my question was propounded not with any intention to embarrass the committee. I know nothing about the real estate brokers. I am in sympathy with the object sought to be accomplished by the bill, but it seems to me, on a very brief review of the bill, that there are a number of unworkable features in it, and I asked the question only to bring out the fact whether or not the bill had been carefully considered and the sections gone over with care. It was only for that purpose that I asked the question. It would seem that the bill was rather hastily considered. The bill is of the most vital importance.

Mr. JOHNSON of Kentucky. Yes; the bill is of the most vital importance, and I will say to the gentleman that I spent two or three weeks in writing and rewriting it, and I believe if the time were at hand so that the features of it could be

explained the gentleman would not find a single place in it where it is not workable.

Mr. FOCHT. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Massachusetts yield to the gentleman from Pennsylvania?

Mr. TINKHAM. I do.

Mr. FOCHT. Mr. Chairman, in justice to the gentlemen who are interested in connection with the Real Estate Brokers' Association, I happen to know, by reason of the fact that he was a former resident of my district, the president of this association, and he asked me, as a member of the District Committee, several days ago, if I would attend the hearings to be held by the committee yesterday morning. I told him if I was well enough I would, and I went to the meeting and found that he and his friends of the Real Estate Brokers' Association did not appear. Then I received this letter. In justice to him and others I would like to have the letter read so that the House will understand that at least he, over his signature, as well as others, did desire a hearing.

The CHAIRMAN. Does the gentleman from Massachusetts yield for that purpose?

Mr. TINKHAM. I do.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

REAL ESTATE BROKERS' ASSOCIATION,
Washington City, D. C., February 2, 1918.

Hon. B. K. FOCHT,
House Office Building, City.

DEAR MR. FOCHT: The writer evidently misunderstood the chairman of the House District Committee as to the day the special committee of this association was to be heard.

All arrangements were made by us to appear Thursday, this week, at 11 o'clock. We exceedingly regret the error and sincerely trust you were not greatly inconvenienced thereby.

We have asked Hon. BEN JOHNSON to arrange the hearing for a later date, and hope that the bill will not pass this week so that we may be afforded an opportunity.

This is a serious proposition.

Thousands of residents and nonresidents own Washington real estate who will be considerably damaged if the present bill, H. R. 9248, becomes a law.

Yours, very truly,

CHARLES W. FAIRFAX,
President.

Mr. FOCHT. Mr. Chairman, will the gentleman yield me a moment, please?

Mr. TINKHAM. Yes.

Mr. FOCHT. As expressive of the fact that I am in accord with the view that we have just had from the gentleman from Ohio [Mr. LONGWORTH] I wish to say that I think we are all seeking to attain but one desirable object, and that is to dispose of the profiteer, and I expect to vote for a measure that will do justice to the people who come here to rent houses and remain here. Yet in a measure as important as this is, with so many untold millions involved, with so many questions as to the constitutionality of it involved, it seems to me it would be only a matter of fairness and justice, from my viewpoint, inasmuch as the business men here have asked for a hearing, that we grant such hearing or hearings. And so I hope, Mr. Chairman, that this bill will be recommitted and that these men in the Real Estate Brokers' Association who desire to be heard may be given a hearing. I hope the gentleman from Kentucky will not object to this proposal, since it involves no more than justice and fair play.

Mr. JOHNSON of Kentucky. Mr. Chairman, if the gentleman from Massachusetts will permit—

Mr. TINKHAM. Yes.

Mr. JOHNSON of Kentucky. Speaking for those from whom extortion has been demanded and taken, and not for the real estate owners and profiteers, I ask the gentleman from Pennsylvania [Mr. FOCHT] to recall my statement to the effect that the committee of the Real Estate Brokers' Association, of which his correspondent, Mr. Fairfax, is president, came to the Committee room and told me that they wished to present their arguments to me alone, and not to the committee—

Mr. FOCHT. Of course, that is in contradiction to the letter. That is up to somebody else to decide—

Mr. JOHNSON of Kentucky. And handed me the argument in typewritten form which they wanted to present.

Mr. FOCHT. Then they changed their minds as to the form. Mr. JOHNSON of Kentucky. They changed their minds as to the extent of the delay sought in the interest of profiteering.

Mr. FOCHT. If you do not expect to pass this bill to-morrow, do you not think it would be fair to grant their request?

Mr. JOHNSON of Kentucky. I hope we may pass this bill to-day. [Applause.]

Mr. RAGSDALE. Mr. Chairman, will the gentleman yield?

Mr. TINKHAM. Yes.

Mr. RAGSDALE. I think it would be but fair that I should state here a little incident of which I have personal knowledge. I have some personal acquaintance with Mr. Fairfax, which is very slight, but I am quite sure he is a gentleman of the highest character. I was in his office on Tuesday to discuss a little matter with him, and he told me that his committee expected to come before the House Committee on the District of Columbia on Thursday, and asked me to be present. He told me they had made an engagement, expecting to come before our committee on Thursday, and I called his attention to the fact that that was the very day on which the bill would be taken up here for consideration.

Mr. JOHNSON of Kentucky. If the gentleman will permit, I will say in that immediate connection that I, too, told Mr. Fairfax over the telephone that the bill would come up for consideration on Thursday, and that the meeting of the committee on that morning would interfere with my getting my papers together for the purpose of arguing the matter on the floor of the House. I suggested that they come over Wednesday morning, and I sent out notices to all the members of the committee to be there on Wednesday morning, and I thought Mr. Fairfax understood that the meeting was to be on Wednesday morning and not on a morning that would postpone the consideration of the bill.

Mr. RAGSDALE. I am quite sure Mr. Fairfax expected the meeting to be held on Thursday, because he so informed me; and I told him that the bill was coming up on the floor of the House on Thursday; and I remember his saying, "Then you will come fresh from your hearing there to the floor of the House to consider it."

Mr. JOHNSON of Kentucky. If the gentleman will permit me, I will say that I believe Mr. Fairfax was honestly mistaken about it.

Mr. BENJAMIN L. FAIRCHILD. That is the point. There was a misunderstanding between the committee and Mr. Fairfax as to the date of the hearing.

Mr. JOHNSON of Kentucky. There is no doubt about that.

Mr. BENJAMIN L. FAIRCHILD. And as a result there has been no hearing.

Mr. JOHNSON of Kentucky. There has been no hearing beyond the hearing that they said they wanted. They asked for two different hearings before me. They said they did not want any hearing before the committee; that they wanted to discuss the matter with me alone.

Mr. BENJAMIN L. FAIRCHILD. As a member of the committee, I regret that I have not been able to join in the majority report, because there is an evil here in the District that ought to be corrected. Now, I ask the chairman of the committee, in all fairness, whether it is not due to the purpose we have in mind to accomplish, due to the interests here in the District of Columbia, and also due to the other members of the District of Columbia Committee, that this bill be referred back to the committee in order that we can bring in, after due investigation and consideration, a bill that will accomplish the purpose without injustice to anybody except the profiteers?

Mr. JOHNSON of Kentucky. In answer to the gentleman I will say that unless this bill did really stop profiteering, the Real Estate Brokers' Association and the property owners here would not be objecting to it in the least. In addition to that, I am opposed to one day's delay while these robbing methods continue. [Applause.]

Mr. BENJAMIN L. FAIRCHILD. We want to accomplish the results, and I believe the chairman of the committee realizes that although there may be some people in Washington who are subject to the criticisms he makes about the profiteers, there are Members of this House and members of his own committee who are just as desirous as he is to have this evil corrected, and because they want it corrected would like to have a proper consideration of the proposition. [Applause.]

Mr. JOHNSON of Kentucky. Does not the gentleman think he is getting consideration of it now?

Mr. BENJAMIN L. FAIRCHILD. No.

Mr. JOHNSON of Kentucky. The gentleman has ample opportunity to consider it right now.

Mr. MOORE of Pennsylvania. Will the gentleman from Massachusetts yield?

Mr. TINKHAM. I will.

Mr. MOORE of Pennsylvania. I have in my hand the bill which the gentleman from Massachusetts [Mr. TINKHAM] proposes to offer as a substitute, and I call his attention to the fact that the date he fixes when the penalty shall go on for excess charges is the 1st of December, 1917. My recollection is, and I think the facts bear it out, that rents were at their very highest point December 1, 1917. I rather like the gentleman's draft but think the date he has fixed is wrong.

Mr. TINKHAM. I think it is a little irrelevant to discuss anything in relation to a bill which not only has not been offered but which the action of the House may prevent from being offered or discussed.

Mr. MOORE of Pennsylvania. I thought it was the gentleman's intention to offer it.

Mr. TINKHAM. I said at some subsequent time, if it were possible.

Now, Mr. Chairman, before I discuss what I believe are the demerits of the bill before the committee, I want to say just one word in relation to a number of statements made by the honorable gentleman from Kentucky [Mr. JOHNSON]. He stated that there were three classes of people who were opposed to his bill, and one of the classes he denominated as men who are willing to have unfair profiteering continue. I think if I offer my bill it will show that I am as fully opposed, if not more so, to unfair profiteering in the District and the United States than he is, if my sincerity of purpose is questioned, which is something to which I am utterly unused. I have only opposed this bill because I believe, as I have explained previously in my remarks, that it does not hit the mark, that it does not accomplish its purpose, because it is futile to pass legislation which either will not effect its purpose or will be declared unconstitutional.

The gentleman said in his remarks that The Evening Star, which I consider the most influential newspaper in Washington, was not opposed to profiteering. I do not believe any American newspaper can be defended properly and as well defended by a Member of Congress or a member of any other public body as it can defend itself, and I am sure I am not audacious and bold enough to come forward as the champion of the Star in its defense; although I do think it is fair to bring to the attention of the House the article published in the Star on February 8, on the front page, in which it says in large headlines:

No war extortion by profiteering, whether in rentals, food, or fuel, here or anywhere else in the United States.

Mr. JOHNSON of Kentucky. Will the gentleman yield right there?

Mr. TINKHAM. In a moment I will; not now. In the same article, in large type, down the column, is the statement, in discussing the bill now before the committee:

Of course the aim of the legislation is not to collect any kind of tax, but to punish and prevent profiteering in rentals. This purpose is sound, wholesome, and in the public interest.

And there is not a Member of this Congress, and there is not a decent newspaper in the United States, or a citizen of the United States, who is not against unfair profiteering in time of war. All the minority of the District Committee wants is a bill which will effect the purpose of preventing unfair profiteering, and it does not believe that the measure reported by the committee will prevent it. I think I will be able in a few moments this afternoon to demonstrate the reasons.

Mr. JOHNSON of Kentucky. If the gentleman will yield just there.

Mr. TINKHAM. I will yield now.

Mr. JOHNSON of Kentucky. I will say that I too clipped from the Star the same article that the gentleman has just read. I did not have the time to get to it, but I wished then and I wish now to invite attention to that article, and that it opens by declaring that there has been no profiteering, but agrees that there ought to be some remedy if it is done.

Read it as you did a moment ago, the three top lines.

Mr. TINKHAM (reading).—

No war extortion by profiteering, whether in rentals, food, or fuel, here or elsewhere in the United States.

Mr. JOHNSON of Kentucky. There is the broad statement that there is none going on. [Laughter.]

Mr. TINKHAM. I suppose an article must be taken in whole as well as in part, and surely it should be examined aside from the headlines. Now, it says below what I read before:

Washington will welcome equitable legislation which prevents landlords from extorting excessive rentals from District tenants.

And then it suggests equitable amendments that might be made to the bill. I do not think that the interpretation put upon the headlines by the honorable Representative from Kentucky is fair. I do not think that The Evening Star meant that there was no unfair profiteering going on now in Washington, but it meant that there should not be extortion here by profiteering, and a reading of the article will convince anyone that that is so.

Now, Mr. Chairman, let us take up the provisions of this bill. This is what is before us, and not the question whether there were hearings or were not hearings, or whether there are low rentals in Cleveland or high rentals in the District of Columbia.

The question is whether the bill we are discussing would prevent unfair profiteering in rentals in the District of Columbia, and whether it should be passed.

The minority says that—

most of the alleged improper increases of rentals sought to be eliminated by the bill will not be prevented by it; that the utter novel principles of law contained in the bill, if passed, are unsound and without precedent; that the enforcement of the provisions of the bill, if passed, would lead to grave injustices and greater abuses than now maintain; and, finally, that the present policy of the Government of the United States to obtain greater housing facilities for both business and residential purposes in the District of Columbia would be retarded if not defeated.

The bill will affect about \$200,000,000 worth of real estate and about \$15,000,000 worth of personal property in the nature of furnishings and fixtures in the District of Columbia.

The bill, reduced to its simplest terms, proposes to fix all rentals for real estate of every kind and nature or used for whatsoever purposes in the District of Columbia at the same rentals paid for it on the 30th day of September, 1916, and to allow only an increase above these rentals of 10 per cent.

The law as proposed is to be retroactive to September 30, 1916, and to continue in effect until a year after the ending of the war.

That means that a man who has received a rental which was fair and just, so far as the law is concerned, at the time, and has spent the money, will have to return that amount to the District treasury. It does not seem to me that that is quite the fair thing, to allow by law certain charges to be made, and then, 15 or 20 months afterwards, declare it unlawful and deprive him of that which he has received as lawful income. Such legislation is intolerable in a land which proclaims itself the model for justice and fairness.

Mr. JOHNSON of Kentucky. Will the gentleman yield?

Mr. TINKHAM. Yes.

Mr. JOHNSON of Kentucky. I will say that it is not my construction of the bill that any contract is made void—it is possible for it to be made voidable—but in this way the courts do not have to decide the question whether it is against public policy, for the bill makes extortionate rents against public policy.

Mr. HUSTED. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. HUSTED. As I understand the bill, it fixes taxation on all rentals paid since September 30, 1916, which are in excess of the amount fixed by the bill.

Mr. TINKHAM. That is true.

Mr. HUSTED. Assuming that a lessee receives an excess rental, his lease has expired, and he has left the District. The owner of the property was unable to recover that excess rental from him. Does the bill provide that the owner of the property will have to pay the excess rental, and if he does not, will a lien be imposed on his property? That is the way I read the bill.

Mr. TINKHAM. I think that construction can not only be read into it, but it is a plain provision of it.

Mr. ROGERS. Will the gentleman yield?

Mr. TINKHAM. Yes.

Mr. ROGERS. There is a provision in the bill that 10 per cent may be added to the amount of the rentals which had been charged prior to September 30, 1916.

Mr. TINKHAM. That is correct.

Mr. ROGERS. Would the landlord be permitted to exact 10 per cent from his tenant for the period between September 30, 1916, and the date of the passage of this act, as well as for the future?

Mr. TINKHAM. There is no such provision in the bill.

Mr. MADDEN. Will the gentleman yield?

Mr. TINKHAM. I will.

Mr. MADDEN. There is a provision in the bill which says not to exceed 10 per cent of the cost of the building may be charged for rental. In fixing that percentage of rentals which is to be allowed, has the committee taken into consideration the depreciation of the building during the period for which it is to be rented, and have they taken into consideration the likelihood of the building being vacant for any given part of the period, and have they taken into consideration the amount of taxes that are to be paid; and if they have not, how much of the 10 per cent would come to the owner of the building, assuming that he was not able to charge more than 10 per cent on the cost?

Mr. TINKHAM. Mr. Chairman, as I stated before, the consideration of the bill was limited to about an hour and a half. There were no public hearings; there was very little discussion of anything but pure details and technicalities, and it was reported out with the two amendments that you see in the report, which are purely textual changes. In other words, the committee did not consider any other question in relation to this bill, and it could not do so on a bill as complicated as this in an hour or two.

Mr. LONGWORTH. Will the gentleman yield?

Mr. TINKHAM. I will.

Mr. LONGWORTH. I do not know whether the gentleman was present this morning when I asked the gentleman from Kentucky a question for information. Under the provisions referred to by the gentleman from Illinois a number of new hotels are being built here and are not completed. After the date of completion, who is going to determine what the various rooms in those hotels shall be rented for, and how can it be determined?

Mr. TINKHAM. Mr. Chairman, the honorable Representative from Ohio [Mr. LONGWORTH] has suggested one of the many difficulties in relation to the application of the bill to produce the results desired by its author. In relation to such a problem as he has raised, the facts and arguments are these: This bill provides that if an apartment house has been constructed since the date prescribed in the bill—the 30th of September, 1916—there can be a gross charge only of 10 per cent—10 per cent on whatever its assessed value may be. The question arises immediately. How is the assessed value of these apartments—and I understand that that is the gist of the question—to be assessed or levied or divided in relation to the total assessment of the property? The only answer that has ever come from the author of the bill is that you can divide any piece of property up into cubic feet, and by the number of cubic feet you can fix what the value or rental proportionately should be. Then you would run into this difficulty immediately: On each floor, wherever situated in the building, the same number of cubic feet would be held to be of the same value. That, as we all know, is impossible. There are rooms of the same number of cubic feet which have a number of windows, others which have a southern exposure, others on floors that are more desirable, and you could not divide up your house fairly and properly on a cubic-foot basis and then say what you could charge in fairness for each piece in relation to the entire amount of the assessment in order to reach your 10 per cent gross upon your assessment. That is one of the very profound defects, it seems to me, in the workability of the bill.

Mr. LONGWORTH. I assume that under this provision a hotel, for instance, that was worth \$1,000,000 would be allowed \$100,000 a year—that is, to charge a number of rents which, added together, would produce \$100,000 a year.

Mr. TINKHAM. Yes.

Mr. LONGWORTH. Does the gentleman think that any hotel could run on that basis, when you consider the cost of upkeep, of service, and so forth?

Mr. TINKHAM. I no more think that would be possible than I believe this is a practicable bill or that it will stop unfair profiteering.

Mr. ROGERS. Mr. Chairman, will the gentleman yield again?

Mr. TINKHAM. Yes.

Mr. ROGERS. Is it not possible that a hotel could reach the result which it would desire by charging the lodger for the night a price which should include a basis breakfast in the morning? Would not the hotel then be enabled to free itself of the provisions of this bill?

Mr. TINKHAM. Mr. Chairman, that is another difficulty with the bill; and it is pointed out in the minority report that there is absolutely no provision for covering by this tax or this law a hotel or boarding house, or even an apartment house, which sells food besides its space. They are not even included; they are excluded by the very terms of the bill. That is another reason why the minority felt it should oppose the bill, in order either that the bill might be referred back to the committee or rectified from its foundation up, or some substitute which would be more effective passed by the House.

Mr. SANFORD. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. I do.

Mr. SANFORD. The gentleman recognizes one apparently good thing about the bill, does he not, that it undoubtedly gives to every Member of Congress who has become a tenant this year a cause of action by which he could get some of his money back to enable him to pay his income tax? [Laughter.]

Mr. TINKHAM. I hope no one will be influenced by that fact.

Mr. SANFORD. I assure the gentleman I would not; but I wanted to ask him if that is not a fact.

Mr. TINKHAM. I think that might be possible.

Mr. HUSTED. Adverting to the retroactive feature of this bill, am I correct in assuming that the owner who receives the excess rental over and above the amount allowed by the bill, and who pays it through the income-tax provisions of the bill, is also liable to pay twice the amount again to the persons from

whom he received the rental, plus \$50 attorney's fee in each case and the cost of the suit? In other words, is it possible under this bill for a landlord who has received this excess rental to be compelled to pay not only the full amount of the excess to the Government, but also to pay back twice the amount of the excess to the persons from whom he received it, plus an attorney fee of \$50 in each case and the cost of the action in each particular case?

Mr. JOHNSON of Kentucky. Mr. Chairman, I will say to the gentleman that that is the deliberate intention of the draftsman of the bill. I purposely wrote that into the bill so that that very thing might be done.

Mr. TINKHAM. May I ask the honorable Representative from Kentucky if he means that if after September 30, 1916, an amount in excess of the 10 per cent had been charged, this bill requires, according to his interpretation, that money could not only be turned over into the treasury of the District of Columbia, but also allows the man who received it, who has received it before we have legislated, before it has been declared to be illegal, to be penalized by twice the amount that he received?

Mr. JOHNSON of Kentucky. I will say to the gentleman in answer to that that in drafting the bill I had two ideas in view. One was to treat this along the lines of the present income-tax law of the United States—that is, to make them pay these heavy penalties in the way of income tax—and then, next, to follow the laws relative to national banks concerning usury; that is, to make them pay back double the extortion they have taken, and also to allow an attorney's fee. I am extremely anxious that both should be done. I want to collect everything back that the extortioner has taken from these unfortunate people.

Mr. TINKHAM. I would like to ask this question: Does the gentleman know of any law passed by any State or by the United States in relation to usury or extortion which provides that any person who has taken a larger rate than was allowed by the law before the new law was passed should be penalized by the provisions of the new law—punished for something which was legal under the law and the Constitution at the time the transaction occurred?

Mr. JOHNSON of Kentucky. That might not be constitutional if the law were made by a State, but I do insist that it would be constitutional if made by the National Legislature.

Mr. TINKHAM. I did not ask concerning its constitutionality, but whether there was any precedent. It is unthinkable that there should be or that such a provision should be contained in any law. I did not know that the bill went as far as that. It makes it all the more objectionable.

Mr. JOHNSON of Kentucky. That is exactly what I tried to write, and then I put in in addition a minimum attorney's fee of \$50 to be taxed as costs in order to protect the poor people, so that they could find a lawyer who will go after these robbers and get this money back from them.

Mr. STEVENSON. Will the gentleman yield?

Mr. TINKHAM. I will.

Mr. STEVENSON. I certainly did not understand the gentleman from Kentucky. I agree with the gentleman from Massachusetts, that I did not understand the gentleman from Kentucky as I understand the bill. The bill says:

And any person who shall hereafter pay for the use or occupancy of any real estate, etc.

You do not propose to go back and collect that back which they paid last year, as I understood it from the gentleman's statement?

Mr. JOHNSON of Kentucky. I wish to say, since my memory has been refreshed, that at first I wrote the bill in the way I have just explained, and I had forgotten that subsequent to that I made a change, so we will have to rely upon the bill to speak for itself in that respect. But I would be very glad, indeed, to see done that which I thought had been done.

Mr. STEVENSON. Then I also desire to ask, because I am bothered about that question, how the committee proposes to validate the imposition of an income tax on incomes from real estate which is in the District of Columbia and not the incomes of real estate elsewhere. How do we get around the equality clause of the Constitution, and also, how they propose to get around the fact that they tax incomes from real estate alone and do not tax it from anything else. Those are questions I want to hear something about before I vote.

Mr. TINKHAM. Mr. Chairman, those are some of the questions I would like to have answered.

Mr. STEVENSON. I thought possibly the gentleman was prepared to answer.

Mr. TINKHAM. I am not prepared to answer those questions, because I am strongly opposed to the bill as being unsound and not effecting its purpose. I asked the honorable Representative from Kentucky in committee how he was going to get the bill under the income-tax clause of the United States Constitution, which is a clause of general application to the United States, and then limit the application of the power to the incomes of the people of the District of Columbia. He said that that was easily done by the bill, and he thought it was constitutional. Perhaps it is, I do not know, but the deeper you go into the bill, I think, the more you can raise questions to show that it is unsound. Now, this question of the constitutionality of the taxation is raised in the first objection of the minority report, which says:

The objections to the bill as drawn are most profound.

First. The rates of taxation upon real estate of the same kind, or used for the same general purposes, are unequal, which is a violation of the first principle of every measure of sound taxation. Under the terms of the bill, if a piece of property were occupied previous to September 30, 1916, the rate then charged plus 10 per cent fixes the income, which in turn fixes the amount of the tax, or if the property were unoccupied or not built at that time, then the assessed value fixes the income, which in turn fixes the amount of the tax, and if by chance the property were a boarding house or hotel where room and board were charged in gross amount, that property under the bill would escape taxation, as no provision of the bill covers property so used; so that in one block there might be three owners of real estate; one, with his income and consequently his tax fixed on the basis of what he was charging for rental the 30th day of September, 1916, and 10 per cent more; another, with his income and consequently his tax fixed on the basis of 10 per cent of the assessed valuation; and a third, providing room and board in gross amount, not coming within the terms of the bill. This plainly would be unconstitutional, as taxation of the same kind of property must be equal and at the same rate, and not discriminatory.

Second. Section 2 establishes and levies a tax upon all excess above the fixed percentage of rentals in the bill; yet section 5, lines 11-13, declares any contracts or agreements made whereby the tax could be collected "are hereby declared contrary to public policy and unenforceable." In other words, section 2 establishes a tax by the Congress of the United States and in the same law the contracts from which the tax grows and out of which the tax can be levied are declared to be "contrary to public policy and unenforceable."

I do not know, Mr. Chairman, quite how to denominate a situation of that kind. I do not believe there is any bill that has ever been presented to the Congress which established a tax and then makes the tax illegal. It surely is quite anomalous and can not be sound legislation.

Mr. HOWARD. Will the gentleman yield for a question?

Mr. TINKHAM. I will.

Mr. HOWARD. Suppose this tax was uniform within the District of Columbia. The gentleman would not then contend it was unconstitutional, because Congress has exclusive and peculiar jurisdiction over the District of Columbia that it has not in other parts of the country.

Mr. TINKHAM. My answer to that question—

Mr. HOWARD. If it were uniform, that is the point.

Mr. TINKHAM. I have just criticized the bill as not giving uniform taxation to the District, and the question a few moments ago was raised as to the constitutionality of applying the income tax under the income-tax provision of the Constitution and applying it only to the District of Columbia, and I have the query whether perhaps there is not an element of unconstitutionality in that phase of the bill.

Mr. HOWARD. As the bill is written, I do not think the gentleman will contend that anything but incomes from realty is taxed and the imposition of taxes is put upon incomes under the provisions of the bill as written is uniform.

Mr. TINKHAM. In the District, but not throughout the United States, and that is the question whether you can impose—

Mr. HOWARD. The gentleman would not contend that it was necessary to make this bill constitutional?

Mr. TINKHAM. I say there is a query about it.

Mr. HOWARD. Does not the State of Massachusetts impose an income tax and also the Government of the United States?

Mr. TINKHAM. Yes.

Mr. HOWARD. And it imposes it uniformly within the confines of the State of Massachusetts?

Mr. TINKHAM. It imposes its taxes in Massachusetts under its own constitution.

Mr. HOWARD. Yes.

Mr. TINKHAM. The only way the tax is imposed in the District of Columbia on incomes, as I understand it, is under the general income-tax clause of the Constitution, which must apply to the entire United States.

Mr. HOWARD. Will the gentleman contend that this Congress would not have the right, if it saw fit, as a tax measure, to provide for an additional tax to the present income tax uniformly throughout the United States and the District of Columbia?

Mr. TINKHAM. I think it might; yes.

Mr. HOWARD. Then it has the right to impose this tax if it is applied uniformly.

Mr. MEEKER. Will the gentleman yield?

Mr. TINKHAM. I will yield in a moment. I did not raise the question of the constitutionality of the tax on that ground.

Mr. HOWARD. If the gentleman will permit, the gentleman from South Carolina [Mr. STEVENSON] did raise that very point, and the gentleman concurred in his reasoning.

Mr. TINKHAM. I said it might be so.

Mr. STEVENSON. Will the gentleman yield one minute, inasmuch as I have been brought into this?

Mr. TINKHAM. I will.

Mr. STEVENSON. I raised the question because I wanted to get a little light, and I did also raise the question on this taxing of incomes derived in the District of Columbia from only one species of property and not taxing all of them equally and excluding income derived from all other. I ask now if such is not a discriminatory tax?

Mr. HOWARD. If the gentleman from Massachusetts will yield, I would like to answer the question of the gentleman from South Carolina. Will the gentleman yield?

Mr. TINKHAM. I will not. I yield to the gentleman from Missouri [Mr. MEEKER].

Mr. MEEKER. I would like to ask to what extent, inasmuch as the gentleman from Georgia is referring to the State of Massachusetts as an illustration, the State of Massachusetts under its constitution would think of putting such a special tax on the citizens of Boston alone and letting the others go free? Would that be considered constitutional?

Mr. HOWARD. I will answer the question, if the gentleman from Massachusetts will permit. Boston could impose any tax it saw fit as a revenue measure if it was given the right under the constitution to do it, but the State could not tax one city in the State of Massachusetts one way and another city in another way.

Mr. TINKHAM. I think it is conceded that you can not fairly and constitutionally omit certain classes of real estate and include other classes of real estate in a tax measure and those that were included be fixed at different rates.

Now, the third objection found by the minority is as follows:

Section 3, page 5, lines 14-16, provide that "the said tax and all penalties thereon shall constitute a superior lien on the 'real estate' from which the income has been derived." Section 1 defines the words "real estate" "to include lands, buildings, parts of buildings, houses, dwellings, apartments, rooms, suites of rooms." This would allow a tenant or lessee against the will or wish of the owner to charge the owner's property with a lien, which is utterly indefensible. If the lien can be imposed upon the property by the lessee or tenant, he can put the excess money subject to the tax in his pocket and let the owner pay the tax, which does not stop the evil, because the greatest of the alleged abuses of increased rentals have come through contracts made by lessees with their subtenants. If the bill, when it became law, were construed to apply only to owners of property because no property should be subjected to a lien except by act of the owner, then the greatest of the alleged abuses as indicated would not be reached. If the bill, when it is passed, were construed to allow the lessee or tenant to create a lien upon the property of the owner, no responsible landlord would let a house or building to people who let rooms, as he would not want to run the risk which the bill would impose upon him and his property, which in turn would reduce rooming facilities in Washington when they are most needed.

The bill only provides for the collection of the tax in the way indicated.

Mr. PAIGE. Will the gentleman yield?

Mr. TINKHAM. I will.

Mr. PAIGE. I have been very much interested in this discussion, and I would like to ask my colleague which he thinks will be the easiest, to carry out the provisions of this law or to win the war?

Mr. TINKHAM. I shall have to be frank and say, Mr. Chairman, that I do not know.

Now, the answer by the majority of the committee to the third objection of the minority and in the debate which has just occurred was that all leases in the District of Columbia contain a clause saying that the consent of the landlord must be obtained, and therefore if the consent of the landlord must be obtained he was charged with knowledge, and if his tenant practiced extortion he should be held. But nearly all small property and nearly all lodging houses, as distinguished from apartment houses, are not let by landlords upon formal leases. That is true in the District of Columbia and it is true in all of the large cities of the United States. Large buildings, apartment houses that are of large value, are let, it is true, on leases, and very often it is the custom to require that the tenant—that is, the lessee—must obtain the consent of the landlord to sublet. But there are thousands of houses, tens of thousands of houses, perhaps, worth no more than from \$6,000 to \$10,000, or \$12,000,

or \$15,000, where there are no leases, and that is true in the District of Columbia. Now, where there are no leases, so far as this bill provides, a tenant against the will and without notice to his landlord, can charge the property with a lien. So the third contention of the minority, it seems to me, is properly sustained.

Mr. SNOOK. Will the gentleman yield?

Mr. GOULD. Mr. Chairman—

Mr. TINKHAM. I will.

Mr. SNOOK. The chairman of the committee, the gentleman from Kentucky [Mr. JOHNSON], stated—

The CHAIRMAN. To whom does the gentleman from Massachusetts [Mr. TINKHAM] yield?

Mr. GOULD. Mr. Chairman, I make the point of no quorum.

Mr. SNOOK. The gentleman from Kentucky stated that the income tax—

Mr. GOULD. Mr. Chairman, I make the point of no quorum.

The CHAIRMAN. The gentleman from New York makes the point of no quorum. The Chair will count.

Mr. GARRETT of Texas. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WALSH. A point of order, Mr. Chairman. I rise to a point of order. The gentleman can not state a parliamentary inquiry during the ascertainment of a quorum.

The CHAIRMAN. The point of order is well taken. The Chair has counted 59 Members present, and the Clerk will call the roll.

Mr. GARRETT of Texas. Mr. Chairman—

The CHAIRMAN. For what purpose does the gentleman from Texas rise?

Mr. GARRETT of Texas. I make the point of order that the gentleman is out of order, because he can not take another Member off his feet in the midst of his speech.

The CHAIRMAN. The Chair may be inaccurate in his ruling, but it has been held that he can. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Alexander	Estopinal	LaGuardia	Rubey
Anthony	Fairchild, G. W.	Lea, Cal.	Sabath
Ashbrook	Fields	Lenroot	Sanders, Ind.
Austin	Flynn	Lever	Sanders, La.
Beakes	Francis	Littlepage	Schall
Bell	Freeman	Lunn	Scott, Pa.
Brodbeck	Gandy	McArthur	Scully
Butler	Gard	McCormick	Sears
Byrnes, S. C.	Garland	McLaughlin, Mich.	Shackelford
Capstick	Godwin, N. C.	McLaughlin, Pa.	Shallenberger
Chandler, N. Y.	Goodall	Magee	Siegel
Collier	Gordon	Maher	Siepm
Copley	Graham, Pa.	Mann	Small
Costello	Gray, Ala.	Miller, Minn.	Smith, C. B.
Crago	Gray, N. J.	Mondell	Snyder
Crisp	Greene, Vt.	Montague	Stedman
Curry, Cal.	Hastings	Morin	Steenerson
Dale, N. Y.	Hayden	Mudd	Sterling, Ill.
Davidson	Hayes	Neely	Sterling, Pa.
Davis	Hellin	Nicholls, S. C.	Strong
Dent	Heintz	Olney	Sullivan
Dill	Hollingsworth	Peters	Tillman
Dooling	Hood	Platt	Vare
Dowell	Houston	Pou	Ward
Drane	Hull, Iowa	Price	Watson, Va.
Drukker	Humphreys	Rainey	Webb
Dunn	Johnson, S. Dak.	Rankin	Welling
Dupré	Johnson, Wash.	Riordan	Wilson, La.
Dyer	Jones, Va.	Robinson	Wood, Ind.
Edmonds	Kahn	Rodenberg	Woodyard
Esch	Kincheloe	Rowland	

Thereupon the committee rose; and the Speaker having resumed the chair, Mr. RUCKER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having under consideration the bill (H. R. 9248) to prevent extortion, to impose taxes upon certain incomes in the District of Columbia, and for other purposes, and finding itself without a quorum, he had caused the roll to be called under the rule, and 305 Members had responded, and he furnished a list of absentees to the Clerk for printing in the Record.

The SPEAKER. The committee will resume its sitting.

The committee resumed its sitting.

The CHAIRMAN. The gentleman from Massachusetts [Mr. TINKHAM] is recognized.

Mr. SNOOK. Mr. Chairman, will the gentleman yield?

Mr. TINKHAM. I yield to the honorable Representative from Ohio.

Mr. SNOOK. When I was interrupted by the roll call I was endeavoring to ask the gentleman a question. The distinguished chairman of the committee [Mr. JOHNSON of Kentucky], as I understood him, in his argument said that the provisions of this bill applied to cases of subleasing. For illustration, let

me put a concrete case. If a person leased an apartment and then furnished it with furniture completely and leased it for the years 1916 and 1917 for \$100 a year and then increased the rent to \$200 a year for the present year, where is there any provision in this bill that applies this income tax to a rental of that kind?

Mr. JOHNSON of Kentucky. Mr. Chairman, will the gentleman let me answer in one word?

Mr. TINKHAM. I do not object to the honorable Representative from Kentucky answering it.

Mr. JOHNSON of Kentucky. The answer is that all incomes derived from unfurnished real estate in excess of 10 per cent are taxed.

Mr. SNOOK. I will point out that this income is not entirely received from real estate. It is income from mixed property, from real estate and personal property combined, and the definition of "real estate," as set out in the first paragraph of the bill, does not cover it.

Mr. JOHNSON of Kentucky. But the gentleman will see there is a clause in the bill that takes care of furnished apartments. There the owner is allowed 15 per cent, whereas the owner is allowed only 10 per cent advance for unfurnished apartments.

Mr. SNOOK. Is that in cases where they have not rented them before?

Mr. JOHNSON of Kentucky. I think it applies to the whole situation.

Mr. TINKHAM. Now, Mr. Chairman, the fourth objection of the minority is as follows:

No distinction is made in the bill between real estate which is let or leased bare of service and heat and those which are let and leased with service and heat; yet the same rate of increase, namely, 10 per cent, is only allowed for each; nevertheless, since September 30, 1916, maintenance and supplies have increased 50 per cent or more in the District of Columbia, coal over 100 per cent, with a great decrease in quality, and the cost of services also has greatly increased.

Criticism was made during the debate that the price charged for coal in the District had not increased 100 per cent. Perhaps it has not. My information was—the best I could obtain—that it had; but for the sake of the argument I am willing to correct the statement there made and admit it is wrong, if it is, and say that there has been an increase in the price by 50 per cent. It will not affect the validity of the objection against the bill now being made by me.

Further:

To fix an arbitrary figure the same for both classes of property is unfair and discriminatory. The cost of all maintenance, supplies, and services are advancing and undoubtedly will advance during the continuance of the war; yet the bill fixes, irrespective of these increases, past, present, and future, a rigid limitation on the income until a year after the war has come to an end.

It seems to me, Mr. Chairman, the statement in the report is clear enough. It does not discriminate between property which supplies no services, heat, and so forth, and property which supplies much services, heat, and so forth, and yet the limitation of return is the same, which means that the person who owns property and does not render services, heat, and so forth, will receive more of an income under the bill, if it is passed, than the person who has the same character and kind of property who is supplying services, heat, and so forth, and who has had to pay and will have to pay an increasing amount for these things.

Mr. JOHNSON of Kentucky. The gentleman understood me there that I was going to offer an amendment as to that.

Mr. TINKHAM. Now, the fifth reason why the bill, according to the minority report, should not be passed in its present form is that—

Under the terms of the bill no distinction is made between residential and business property. The Government has made contracts with owners of business property which this bill would make void. Legislation which makes void contracts and agreements entered into in good faith and voluntarily before the passage of the bill is a vicious exercise of legislative authority, if it is constitutional.

Now, I do not say that it is unconstitutional. I rather think contracts, under the Constitution, can be made void that have been entered into in good faith, so far as the United States laws are concerned, so that I lay no emphasis on that element in the objections to this bill. But we contend further in the minority report that—

The effect of the bill, if passed, must be to prevent the renting of property of this class, whereas the policy of the Government has been to promote the leasing of such property for the use of its own departments and that of its contractors, who are coming to the District of Columbia in increasing numbers. Many of the owners of such property, if their leases were automatically canceled by this law, might demand their property back, not being satisfied with the return allowed under the bill and the conditions imposed by it.

The sixth objection to the bill is as follows:

There is always a serious and profound objection to making legislation retroactive. In relation to this particular measure, it can be said that this is unusually true. Many people in the District of Columbia, who, since September 30, 1916, leased their residential property at advances in excess of those allowed by the bill and with the assurance of the increased income, and have made new arrangements for themselves and families by agreements and leases, with the understanding of what their income would be, would have their arrangements seriously affected, although their agreements and leases, both with their tenant on the one hand, and their landlord on the other, were made in good faith and would be most unfair to them.

Mr. Chairman, the seventh objection to this bill found by the minority is as follows:

Section 5 does not plainly state that the landlord as well as the tenant can avoid the lease if made in excess of the stipulated rates, even although such a lease is declared against public policy and unenforceable. If the tenant or lessee has the right to avoid his lease made since September 30, 1916, the landlord should plainly have the same right, in which case many landlords, if compelled to take lower rentals, might take back their property.

This would include Government property—that is, property leased to the Government—of which there is much in the District of Columbia leased since September 30, 1916.

Now, the eighth objection is that—

In section 3, page 4, lines 16 and 17, a return must be made to the assessors every month. This feature is not only vexatious but would cause a large increase in the cost of maintenance of the assessor's office.

I would like to ask the honorable Representative from Kentucky if he knows of any other law under which a monthly return is made? If so, I should be pleased to be informed of it.

Mr. JOHNSON of Kentucky. No; I do not; and I provided for monthly returns instead of annual returns so as to give these profiteers just as much trouble as possible. [Laughter and applause.]

Mr. TINKHAM. The ninth objection of the minority is that—

The rentals for the District of Columbia on the basis of 1916 as a standard as taken in the bill are distinctly unfair, as 1916 rentals were very low. There were 8,000 to 10,000 vacant houses during that year, owing to the attraction of many of the population to munition factories and to other employment outside of the District. In many of the poorer sections of the District of Columbia rents have not been increased over the 1916 standard, but if this bill is passed it might well be a suggestion and incentive to the owners of this class of property to increase their rentals over those now in vogue by 10 per cent.

The tenth objection is that—

An extensive campaign is being made among the residents of the District of Columbia to house new Government employees who are coming here to the District in large numbers. With such a law in effect as proposed many residents would undoubtedly refuse their facilities, as they would not desire to run the risk of becoming involved with such a law as is proposed in this bill.

Now, Mr. Chairman, only one word in closing, and that is this, that the minority of the Committee on the District of Columbia are as sincerely desirous of stopping unfair profiteering in the District of Columbia, or in any other part of the United States, as the majority, or the honorable Representative from Kentucky, Mr. JOHNSON; but they do not want to pass a bill which they believe is not only unconstitutional, in at least one of its phases, but unworkable, and which will not produce the results which are believed by both sides to be desirable. I therefore believe that one of three courses should be followed in relation to this bill: As no hearings were given and only an hour and a half given to the consideration by the committee, it should be referred back to the committee for reformation, or—

Mr. JOHNSON of Kentucky. Will the gentleman yield just there?

Mr. TINKHAM. I will.

Mr. JOHNSON of Kentucky. Would the gentleman advocate giving burglars and thieves a hearing in preparing laws to stop them from their practices?

Mr. TINKHAM. Mr. Chairman, I do not know how to reply to that question, I am frank to say. I am going to let it remain in the Record exactly as it was spoken, without any reply.

Mr. SMITH of Idaho. Mr. Chairman, I understand the people interested in this bill had an opportunity to be heard and declined to appear before the committee.

Mr. TINKHAM. That is not so.

Mr. SMITH of Idaho. Did not the chairman so state?

Mr. JOHNSON of Kentucky. I say most emphatically that Mr. Fairfax and the other gentlemen who came to me with their written objections to this bill said that they wanted to come to me alone with them, and not before the committee, and they came twice.

Mr. FOCHT. All right, Mr. Chairman. We have just had read into the Record a letter from Mr. Fairfax, in which he said they did want a hearing.

Mr. JOHNSON of Kentucky. I thoroughly agree with the gentleman as to that feature of it. They wanted a hearing to-day.

Mr. FOCHT. They want a hearing, and this House ought to do them the justice to let them be heard.

Mr. JOHNSON of Kentucky. They want all the hearings that will make delay, and they do not want any more hearings.

Mr. FOCHT. As far as Mr. Fairfax is concerned, I resent the impeachment that he is other than a reputable gentleman, and asks only fairness.

Mr. BENJAMIN L. FAIRCHILD. In all fairness to Mr. Fairfax, the chairman of the committee will agree that subsequent to the date when the chairman had that conversation with Mr. Fairfax about a conference with the chairman alone, there was an endeavor between the chairman and Mr. Fairfax to fix a date for a hearing.

Mr. JOHNSON of Kentucky. Either yesterday or to-day.

Mr. BENJAMIN L. FAIRCHILD. And they supposed it was for this morning, and there was a misunderstanding between the two, and as a result there was no hearing.

Mr. JOHNSON of Kentucky. I have not intentionally said anything reflecting on Mr. Fairfax, and I agree with everything you say about him.

Mr. BENJAMIN L. FAIRCHILD. There has been no hearing, because of a misunderstanding about the date.

Mr. JOHNSON of Kentucky. There was no hearing yesterday, because of a misunderstanding between Mr. Fairfax and myself; but Mr. Fairfax was before me with a number of other gentlemen upon two previous occasions, when we sat for hours at a time discussing the bill.

Mr. FOCHT. But there was no hearing before the committee.

Mr. JOHNSON of Kentucky. It was not my fault, because they came and asked to see me alone, and I saw them, according to their request.

Mr. TOWNER. Will the gentleman yield to me?

Mr. JOHNSON of Kentucky. I will.

Mr. TOWNER. I would like to ask the chairman of the committee a question. It seems to me that perhaps a matter vastly more important than the desire of the persons who may be interested in this legislation is the question as to whether or not it is constitutional and right. The gentleman knows well—better than almost anybody else on the floor of the House—that the limitations on the powers of Congress with regard to taxation in the District of Columbia are exceedingly ill-defined. Congress is the legislative body of the District of Columbia, and yet constitutionally there are no statements affecting the powers of Congress to tax the people of the District of Columbia. Now, whether the ordinary constitutional limitations apply, or whether common-law limitations, which are still greater and more strict, will apply in a case of this kind, I confess that I have not had time or opportunity to examine. This is such a novel piece of legislation, does not the gentleman from Kentucky think that it would be advisable that at least final action on it should go over until Members of Congress have an opportunity to give the matter more consideration?

Mr. JOHNSON of Kentucky. I will say, if I may be permitted, in answer to the gentleman from Iowa, that only a few years ago a bill was before Congress which some of the ablest minds in both branches of Congress pronounced to be unconstitutional. The President of the United States, in my judgment one of the greatest lawyers in the country—President Taft—vetoed the bill because he thought it was unconstitutional, but since then the Supreme Court of the United States has decided that it was constitutional. I think these people ought not to be permitted to rob the citizens of this District one day while the discussion goes on as to whether it is constitutional or not.

Mr. TOWNER. The gentleman's statement in regard to the matter only emphasizes the fact that I stated a moment ago as to the uncertainty of the constitutional powers of Congress as to taxation in the District of Columbia. I agree with the gentleman that no one should be allowed to rob anyone else in the District of Columbia for a single day longer, but the gentleman is too good a lawyer to desire, I am sure, questionable legislation to be passed when it may result in not accomplishing what he and we all desire, the prevention of extortion, because it may be unconstitutional.

The CHAIRMAN. The gentleman from Massachusetts has three minutes remaining.

Mr. TINKHAM. Mr. Chairman, if this bill is not recommended to the committee, the next course which should be pursued is to substitute a bill which I will propose at the proper time

for this measure, which I think will correct the evil and accomplish much better than the bill that is before the committee in its present form what the honorable Representative from Kentucky desires to have accomplished. I think the bill as it is now presented to us is vicious and should be defeated. [Applause.] Mr. Chairman, I reserve two minutes of my time.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. RUCKER having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Waldorf, its enrolling clerk, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 3433. An act requiring the Government to furnish uniforms to officers of the Army, and for other purposes.

TAXES ON INCOMES, DISTRICT OF COLUMBIA.

The committee resumed its session.

Mr. JOHNSON of Kentucky. Mr. Chairman, how much time has the gentleman from Massachusetts used?

The CHAIRMAN. The gentleman from Massachusetts has 32 minutes remaining.

Mr. TINKHAM. Mr. Chairman, I yield 30 minutes to the gentleman from Michigan [Mr. MAPES].

Mr. MAPES. Mr. Chairman, there has been some discussion about the question of hearings on this bill before the committee. There were no hearings on it. The bill was introduced January 25, as will be seen by reference to the date on the bill. The Committee on the District of Columbia voted to report it out on February 1, at the first meeting of the committee after it was introduced. After the committee had voted to report the bill out, a motion was made and carried to have hearings on it, but no hearings have been had.

I am in favor of the purpose sought to be accomplished by the bill, as stated in the report of the committee, namely, to stop the practice of extortion and profiteering in rents in the District of Columbia. As far as I am concerned, I am not at all alarmed about its not being a proper function of the Government to do so; but as to the constitutionality or unconstitutionality of this particular bill, I shall leave that for others to discuss and shall confine myself to a discussion of it upon its merits, regardless of the constitutional question.

Everyone knows of the crowded condition of the city and the difficulties involved in securing proper housing facilities within the District on reasonable terms, or, as a matter of fact, on any terms at all, for the greatly increased number of Government employees coming to Washington since the declaration of war; and no doubt everyone here has heard of instances where the rent for houses and apartments has advanced to an enormous and outrageous extent, although it is only fair to say that disinterested people of responsibility who have investigated the conditions declare that such increases are by no means universal.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. MAPES. I yield to my colleague from Michigan.

Mr. SMITH of Michigan. I have heard it reported that before the 1st day of the coming August the number of clerks in the different departments on account of the war activities will be increased by 20,000.

Mr. MAPES. I have seen substantially that same statement. The committee held no hearings and has no official information to present to the House. Congress should, however, do all that it can and take whatever action is necessary to prevent the possibility of extortion or profiteering in rents in any case.

The pending bill, however, in order to be made workable and in order that it may not aggravate the housing difficulties in the District, which it, of course, proposes to relieve, ought to be amended in some important particulars.

All price-fixing legislation of whatever nature is important and deserves careful consideration. As a member of the Committee on the District of Columbia, I regret that that committee did not see fit to give legislation of so great importance more consideration and perfect this bill or report one which represented the consensus of opinion of at least a majority of the members of the committee after mature and careful deliberation.

There has been something said about the time this bill was considered in the committee. It so happened that I looked at my watch on the morning that the committee met as I stepped into the committee room. It was 20 minutes of 11 at the time, and the committee had not then been called to order. I looked at my watch after it had adjourned, and it was not quite 20 minutes of 12; so that the committee was in session a little less than one hour. During that time the chairman had read the bill, there had been several aye-and-no roll calls of the committee, and whatever consideration was given to the bill and

its different provisions was given within that time, a trifle less than one hour.

Mr. BENJAMIN F. FAIRCHILD. Had the bill been considered by any subcommittee?

Mr. MAPES. It had only been introduced about a week before, and the committee had not considered it at all.

Mr. BENJAMIN F. FAIRCHILD. Neither the committee or a subcommittee?

Mr. MAPES. Neither the committee nor any subcommittee. The bill was voted out of the committee at one session of less than one hour's duration without any adequate opportunity being given for amendment or discussion 10 days before it could possibly be considered under the rules in the House. One of the apologies for this action was that the bill could be considered, discussed, and amended in the House, although that, of course, is the duty of a committee and might more appropriately have been done for several days by the committee in this instance without losing any time or without delaying the passage of the bill a single hour. In fact, it would in all probability have expedited its final passage through the House. At any rate it would not then have been necessary to convert the House into a standing committee.

The matter of rent is so intimately connected with the shortage of houses, apartments, and rooms to house the people constantly coming to Washington, and apparently in increasing numbers as the war continues, that the two can not be separated in any proper consideration of the subject.

Tuesday the House passed a bill reported by the Committee on the Merchant Marine and Fisheries, which had already passed the Senate, authorizing an appropriation of \$50,000,000 to enable the Government, through the Shipping Board, to buy and build houses for the employees of the shipyards.

The chairman of the Committee on Labor of the House has introduced a bill prepared and recommended by the Department of Labor authorizing an appropriation of another \$50,000,000 for the purpose of enabling the Government, through the Secretary of Labor, to buy or build houses for employees of the Government generally and for industrial workers engaged in industries connected with the national defense and security and for their families during the war.

Mr. Whitaker, one of the experts who testified at the hearing before the Committee on the Merchant Marine and Fisheries during the consideration of the bill reported by that committee at the instance of the Shipping Board, testified that his "study of this question of housing dates back over 20 years, and so far as this immediate project is concerned"—that is, the proposition of housing the employees of the shipyards—"it dates back," he continues, "to when I was asked by the War Department to draft a program on account of some serious difficulties in the production of munitions. * * *

"Since that time this project has passed through a great many stages. The Council of National Defense have had two separate committees at work; they have held a great many hearings and taken a great mass of testimony."

And yet the Committee on the District of Columbia, without, I dare say, a member who has ever given the subject any special consideration, solves the problem for the District of Columbia in less than one hour's time. Why should these other agencies of the Government be permitted to waste their time and ability in such a manner when the District Committee could solve their difficulties for them so promptly?

The conclusion reached by the Shipping Board and the Secretary of Labor after consideration of the subject is that the Government should build houses and keep down the rents by increasing the supply and fixing a reasonable rent for the Government houses.

The pending bill may provide an effective method of keeping down the rents within the District, but there are other questions of equal importance involved which ought to be considered if the great influx of Government employees on account of the war is going to be properly housed. The man who is out looking for a place to sleep these cold winter nights is as much concerned over finding a place to stay as he is over the price he has to pay after he finds it, and it is fair to assume that the owners of real estate will find little in this bill to encourage them to increase their housing facilities to relieve an already overcrowded condition.

Personally I believe that in addition to any bill limiting the charges for rent some action will have to be taken by the Government to build accommodations for the people within the District of Columbia similar to that proposed by the Shipping Board and the Secretary of Labor. The housing facilities are already greatly inadequate and it is estimated that upward of 20,000 additional Government employees will come to Washing-

ton during the current year, as my colleague from Michigan [Mr. SMITH] states.

In this connection it seems to me that people who are not Government employees or who have no business with the Government ought to keep away from Washington at the present time. The housing facilities are too limited and the number of people who are actually obliged to be here is so great that the city ought not to be made a resort for the retired and pleasure seeking part of society during the war. Before coming here they may well ask themselves whether they have the moral right to come and preempt the already grossly inadequate supply of housing and hotel accommodations, thereby depriving the necessary Government employees of them. In my opinion they have had more to do in causing the greatly increased rent and other living expenses within the District than anything else. With more money than discretion they come to Washington and are willing to pay temporarily almost any price for furnished houses or hotel accommodations.

The pending bill proposes to take a sort of prewar period of 18 months prior to September 30, 1916, to determine the normal or fair income from rents on property within the District and then to levy a tax, to be paid to the District of Columbia, of 100 per cent on all above 10 per cent that the gross income from rent since December 31, 1916, exceeds the gross income from rent for an equal period of time during the prewar period, that is, the 18 months prior to September 30, 1916. In other words, if the income from rent since December 31, 1916, or any part of such time is more than 10 per cent greater than it was for an equal period of time during the 18 months prior to September 30, 1916, this bill proposes to tax and collect all of such excess from and after December 31, 1916, until one year after the signing of the treaty of peace between the Imperial German Government and the Government of the United States.

All leases and agreements to pay more than the 10 per cent paid during the prewar period are declared to be against public policy and unenforceable, and in addition to the tax of 100 per cent the bill authorizes any person who shall pay more than the 10 per cent received during the prewar period after the passage of the act to sue and recover double the amount thereof and the costs of suit, including a reasonable attorney's fee of not less than \$50.

It is safe to conclude that if this bill is enacted into law no one will accept for the rent of his property within the District more than 10 per cent over what he received during this prewar period. If he does he will be required to pay back to the District government and his tenant three times the amount—100 per cent to the District government and 200 per cent to the tenant—in addition to costs of suit and an attorney's fee of not less than \$50.

Mr. HILLIARD. Will the gentleman yield?

Mr. MAPES. Yes.

Mr. HILLIARD. What effect would that have on the real estate men?

Mr. MAPES. I think it would stop the increase of rentals in the District, as I have stated.

Mr. HILLIARD. That is the present purpose of the legislation, is it not?

Mr. MAPES. I have so stated in my remarks.

The bill provides that the 100 per cent tax to the District government shall date back to December 31, 1916. There was some criticism about the retroactive features of the income-tax provisions proposed in the war-revenue bill of last year. They were finally stricken from that bill, but they did not compare with the retroactive features of this bill. In addition to this 100 per cent tax provided for in this bill, the owners of real estate within the District have paid or must pay under the general law the same income tax for last year as anyone.

Allowing the prewar period to remain as the 18 months prior to September 30, 1916, for the purpose of arriving at the proper rent, the 100 per cent tax ought not in good conscience to apply to any income received prior to December 31, 1917, and the bill should be amended in that respect. With that amendment this provision would still date back to the first of this year and would reduce rents at once to the normal level of the prewar period plus the 10 per cent allowed by the bill, and would accomplish what the bill aims to accomplish, namely, the reduction of rents.

One of the principal abuses as far as this rent question is concerned is the rerenting of leased apartments by tenants. They lease an unfurnished apartment, put a little furniture in it, and rerent it at a greatly advanced price, in some cases several times the amount received by the owner or the original lessor. It seems to me there is more or less uncertainty as to whether the

bill covers lessees and sublessees and that it should be amended so as to clearly include them.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. MAPES. Yes.

Mr. CAMPBELL of Kansas. Did the committee ascertain the amount of subletting that is now being done in the District?

Mr. MAPES. It did not. The committee held no hearings, as I said before.

Mr. CAMPBELL of Kansas. Held no hearings on the bill?

Mr. MAPES. Held no hearings on the bill.

Mr. CAMPBELL of Kansas. I do not know, but I think it would be interesting for the House to know the amount of subletting that has been done at enormously increased rents. I have been told that the owner who makes a lease has had very little to do with the enormous rents that are being charged up to the tenants who are occupying the property, and that the vice is in the subletting. A few hundred dollars' worth of furniture is put into an unfurnished apartment and that is leased for sometimes three times the amount of the original rent.

Mr. MAPES. I think every Member of the House has heard of a great many instances of that kind. How general it is I have no way of telling.

Mr. KELLEY of Michigan. Mr. Chairman, will the gentleman yield?

Mr. MAPES. Yes.

Mr. KELLEY of Michigan. In the case which my colleague cites, of a subtenant furnishing an apartment and leasing, this bill presumes to make the excess tax a lien against the real estate. What does my colleague think of that as a legal proposition?

Mr. MAPES. I am just about to discuss that.

Mr. JUUL. Mr. Chairman, will the gentleman yield?

Mr. MAPES. For a brief question. My time is limited.

Mr. JUUL. In the matter of the retroactive features of the bill as discussed by the gentleman, does the gentleman want that the people who have safely deposited the result of their extortion in the banks should get away with it, and that what we have suffered, if we have suffered, to date should be forgiven and forgotten?

Mr. MAPES. I doubt whether there was very much of this excessive charging for rent prior to a very few months ago, and my suggestion is that the retroactive provision date back to December 31, 1917.

Mr. JUUL. I can give the gentleman a case where people remaining in a place were boosted 60 per cent in the rent from one month to the next.

Mr. MAPES. And I dare say that that was only a short time ago, perhaps since December 31, 1917. It is of course indefensible. If the bill should pass it would immediately reduce the rent to the prewar rent, which is the purpose of the bill.

The owners of real estate complain that the tax is made a lien upon the property, even though the lessee and not the owner is the profiteer, but the interests of the owner can probably be safeguarded in this respect, for the future at least, by the clause usually inserted in leases against subletting without the consent of the owner.

It is impossible, however, to justify or reconcile the retroactive feature of the tax in so far as this practice of subletting at greatly advanced rates is concerned, assuming that it covers it with the provision of the bill which makes the tax a lien on the property. The owner must pay the tax to protect his property, even though he received no benefit from the excessive rent, and no matter how much he may have regretted the action of his tenant in rerenting at the advanced rate, and even though the original lessee, the only profiteer in the case, may be wholly irresponsible and now out of the jurisdiction of the District. The constitutionality of this feature of the bill may well be questioned. Can one man's property be taken to redress the wrong of another? But this provision goes still further—it levies a retroactive tax on the income of one man not subject to taxation at the time or during the period for which it is levied and makes that tax a lien on the property of another.

Those who have been making a disinterested study of the housing conditions in the District say that one of the real problems is to prevail upon the residents of the District who have not heretofore done so to open their homes and to rent one, two, or three rooms to the employees of the Government. It seems to me that the provisions of the bill are unworkable, as far as the renting of an individual room in a home is concerned, and would tend to keep people from doing this very desirable and much-needed thing rather than to encourage them to do it. No legislation should be passed which would have that effect or tendency, and the bill should be amended so as to exempt private families who are willing to thus open their homes.

The bill provides that in case no income was received from property during the prewar period of 18 months prior to September 30, 1916, the owner shall be allowed a gross income equal to 10 per cent of the value of the property producing the income, including furniture, if any, "as determined by the assessor of the District of Columbia," before the operation of the 100 per cent tax. That provision would be unworkable as far as the renting of an individual room in a private family is concerned. It would not be practicable to secure a separate valuation of the separate rooms throughout the District, and a roomer in a private home ought not to be required to pay 10 per cent of the value of the entire place for a single room.

The value of the property as determined by the assessor of the District of Columbia is made the basis of calculation, but the bill does not state whether by that is meant the present assessed valuation or whether the assessor is to make a special valuation in order to carry out the provisions of the act. If it means the present assessed valuation, then it must be remembered that real estate within the District is now assessed at two-thirds of its actual value, not its full value. Two-thirds of 10 per cent is 6⅔ per cent, so that the bill actually allows the owner of real estate who wishes to rent property now that was not rented during the prewar period to receive a gross income of 6⅔ per cent only on the actual value thereof. Of course the net income would be less than that, how much less depending upon the nature of the property and the uses to which it is put.

Mr. JOHNSON of Kentucky. Mr. Chairman, will the gentleman yield for a statement there?

Mr. MAPES. Yes.

Mr. JOHNSON of Kentucky. I have already said that it was not the purpose of the bill to base this 10 per cent or 15 per cent upon the appraised value, and inasmuch as several gentlemen have read the bill in that way, I have already said that I have an amendment prepared to take care of that situation; but even if that were the case the assessed valuation is three-thirds, and then only two-thirds of it are taken for taxing purposes.

Mr. MAPES. I congratulate the chairman on having changed his attitude from what he assumed in the Committee on the District. I am glad to see that he is now proposing certain amendments to the bill which I think will improve it.

Mr. JOHNSON of Kentucky. If the gentleman had heard all of my remarks, he would have heard of another amendment that I proposed to offer.

Mr. MAPES. I heard those statements. I only regret that the gentleman did not see fit to have the committee consider them and put those and other amendments in the bill.

Mr. JOHNSON of Kentucky. I did not want all the teeth taken out of it.

Mr. MAPES. There might have been some teeth put in, as far as some provisions are concerned.

Mr. MADDEN. Mr. Chairman, will the gentleman yield there?

Mr. MAPES. Yes.

Mr. MADDEN. The net income from the property would be this much less. Under the revenue law 4 per cent depreciation is allowed on all property, but the average depreciation per annum on building property is 5 per cent. That is the average experience. The taxes in the District of Columbia are 1½ per cent. That makes 6½ per cent. The average vacant period for a building is 2½ per cent. That makes 9 per cent. So that in the best circumstances all the owner of the property would get would be 1 per cent.

Mr. MAPES. All of those matters have to be taken into consideration.

Mr. JOHNSON of Kentucky. Will the gentleman permit me to interject a remark right there?

Mr. MAPES. I am sorry, but I have only a few minutes left.

Mr. JOHNSON of Kentucky. Just one second. That depreciation of 5 per cent a year would make the house absolutely valueless after it was 20 years old.

Mr. MADDEN. Almost every house has to be reconstructed at the end of 20 years.

Mr. JOHNSON of Kentucky. It has not in our section of the country.

Mr. MAPES. If this provision should go into effect unchanged, there will be little inducement for private enterprise to build additional housing accommodations within the District with the practical certainty of a material reduction in the income to be derived therefrom as soon as the war stops, and limited to a gross income of 6⅔ per cent on the capital invested for the period of the war, uncertain and indefinite as that period is.

Another clause in the bill states that in case the property was rented unfurnished during the prewar period and is rented furnished during the taxable period, the owner is allowed an

increase of 15 per cent before the application of the tax of 100 per cent.

It should be borne in mind that the law exempts from assessment and tax furniture within the District to the value of \$1,000. If the value of furniture is \$1,000 or less, there is no record of it at all in the assessor's office. That being the case, if the present assessment system is to prevail, it is safe to say that no new furnished apartments will be rented within the District unless the furniture in them exceeds in value \$1,000, because no allowance in computing the income could be made for such furniture.

What is to be done with the large apartment houses containing a great number of suites of rooms, a part only of which may have been rented during the prewar period? Are the owners to be limited to the 10 per cent over the income which they received during the prewar period on a part only of their buildings, or are they to be allowed a gross income of 10 per cent of the value of the property as determined by the assessor of the District of Columbia, as in the case of property not rented during the prewar period, or are they to receive an increase of 10 per cent over the prewar period for the rooms rented during that time and 10 per cent of the value of the property as determined by the assessor for those not rented during the prewar period? Will it not be an interminable, if not an impossible, job for the assessor to determine the value of the individual rooms or suites of rooms in the houses and apartments throughout the District?

If the clause "the valuation of the property as determined by the assessor" means the present valuation, then the bill is unworkable, because there is now no separate valuation of individual rooms or suites of rooms or of furniture unless the value thereof exceeds \$1,000. If it means that the assessor is hereafter to determine the value of these individual rooms and suites of rooms for the purposes of the act, then the bill creates positions for a great many deserving Democrats in the assessor's office.

These are some of the practical difficulties that will be met in the operation of the provisions of the bill if it is enacted into law as it now reads. Others will readily suggest themselves to anyone who studies the bill.

Congress has created since this war started several agencies to fix the price of different commodities. The President, through the Fuel Administration, is authorized to operate mines, distribute coal, and fix its price. Through the Food Administrator he is authorized to regulate the distribution and fix the price of a great many food products. One way of solving the rent problem would be to have a board appointed to fix the rent of property within the District of Columbia. If the bill goes into effect, there should be created a board of some kind to put it into practical operation.

Mr. RAGSDALE. Will the gentleman yield?

Mr. MAPES. I have very little time left.

Mr. RAGSDALE. For only one question. On these various boards that would be created, would not there be some Democratic appointments and enjoy the objection made by the gentleman to the other created?

Mr. MAPES. I am not making any objection to the bill on that ground. I am only calling attention to the fact.

Mr. RAGSDALE. Oh, yes.

Mr. MAPES. It does not make sufficient provision for the changed conditions now prevailing within the District over those of normal times. People are occupying a great deal less space than formerly. There are more people in an apartment. Where one person formerly had a room, two or three are now occupying it. I have heard of an instance where there were as many as five now in a room formerly occupied by one, and of another case where a father and mother and two grown children were occupying an apartment in one of the leading apartment houses of the city composed of only one room and a bath. If the owners in such cases are obliged to rent their places for the same income as they received during the prewar period, it is safe to say that many of these people will be obliged to move out into the street. The owners can get the prewar price without any trouble by accommodating only the same number of people that they did in the prewar period. After we pass this bill we may have to supplement it with additional legislation compelling the owners to open their places for rent and telling them how many they may or must put into a given place.

Limiting the charge for rent to 10 per cent over that received during the prewar period in all cases where the property is used for practically the same purposes as it was during the prewar period will not work a hardship upon anyone, but some allowance ought to be made for those cases where the property

is put to a different use or where conditions have materially changed.

An amendment to the bill should be adopted providing for the creation of a rent administrator or board with authority to change the rates provided for in the bill under changed conditions where the facts justify it, but requiring the rates fixed in the bill to remain until and except they should be changed by said rent administrator. I shall introduce an amendment of that kind, and I believe its adoption would do away with many of the objectionable features of the bill.

Mr. RAGSDALE. Will the gentleman yield for another question?

The CHAIRMAN. The time of the gentleman has expired. The gentleman from Massachusetts has two minutes remaining.

Mr. TINKHAM. Mr. Chairman, I rise to offer a preferential motion.

Mr. CAMPBELL of Kansas. Mr. Chairman, while the time was fixed, can not we have the time extended so that the gentleman may finish his remarks?

Mr. JOHNSON of Kentucky. I am perfectly willing for the gentleman from Michigan to conclude his remarks. He has two minutes now.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TINKHAM. Mr. Chairman, I have two minutes, and I yield them to the honorable Representative from Michigan.

The CHAIRMAN. The gentleman is recognized for two minutes more.

Mr. MAPES. I thank the gentleman.

The fact remains that a great many people eligible for Government work and who have been recommended for appointment in the different branches of the service are restrained from accepting appointments on account of the excessive rents now being charged in the District. Others who come here in good faith to accept Government positions return to their homes because they are unable to obtain places to live within their means, and a great many Army men with limited incomes are assigned to duty within the District. These men are obliged to live here.

Something must be done to relieve the situation. The interests of the Government require it. I do not believe that anyone should be allowed to take advantage of the necessities of the Government and the conditions brought about on account of the war to profiteer in rents within the District. I am in favor of limiting the charge that can be made and of stopping any excessive rents, and I believe that to do so is a proper function of the Government. I hope this bill will be amended so as to be made more workable in its practical operation. There is more to the rent and housing question than the bald provision that you can charge so much and no more for rent, but as this is the only bill now before the House for consideration I shall give it my vote, but before being called upon to do so I hope it will be amended in several important particulars.

Mr. SMITH of Michigan. Will the gentleman yield for a question?

Mr. MAPES. I yield.

Mr. SMITH of Michigan. I would like to inquire whether or not there could not be a rent administrator just as well as a Food Administrator or some other? Did the committee consider such a thing as that?

Mr. MAPES. The committee had no time to consider it, as I have said.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Kentucky. Mr. Chairman, I believe I have six minutes remaining.

The CHAIRMAN. The gentleman has six minutes.

Mr. JOHNSON of Kentucky. Mr. Chairman, the gentleman from Ohio [Mr. LONGWORTH] and several others have inquired about the revenue of a hotel building which may have been built since the time fixed by this bill for commencing the tax.

These sums were based upon the idea in the construction of the bill that the limit was 10 per cent on them. There are two limits as to a furnished building, one of 10 per cent and one of 5 per cent, aggregating 15 per cent. The 15 per cent would apply to the furnished apartments or rooms of a hotel.

Mr. LONGWORTH. If the gentleman will pardon me, no allowance is made by this bill as to any different class of buildings. There might be one class of building in which the cost of upkeep is slight, and there would be no question as to servants, laborers, and so forth.

Mr. JOHNSON of Kentucky. I was seeking uniformity in drafting the bill.

Mr. LONGWORTH. Does the gentleman believe that in a hotel as it is run nowadays that a 15 per cent margin on the

cost of the investment would be sufficient to allow the hotel to run?

Mr. JOHNSON of Kentucky. I believe it is far more equitable than what they are charging. The gentleman from Michigan [Mr. MAPES] a few moments ago referred to the possibility of somebody having to go into a room in each and every house and determine its rental value. We know what rooms in a particular house rented for prior to September 30, 1916, and we know what rooms in the same locality and of practically the same description should bring. They should bring what the other rooms brought in 1916.

I regret that the gentleman from Michigan suggested politics in the assessor's office as coming from the District of Columbia Committee.

This is the eighth year of my chairmanship of that committee, and I do not believe politics has ever yet entered the committee, and I do not believe the gentleman can recall a single instance where it has.

Mr. MAPES. Will the gentleman yield?

Mr. JOHNSON of Kentucky. Yes.

Mr. MAPES. I think the gentleman from Kentucky has misconstrued my reference to that. I did not say there was any politics in the committee, but inevitably, if this bill is enacted into law, there must be a greatly increased force in the assessor's office in order to take care of the assessments that the bill provides.

Mr. JOHNSON of Kentucky. I take the position that there will not have to be a single increase, because the minute this bill passes this extortion is going to stop, and the force, therefore, will not have to be enlarged.

And, besides that, during Wilson's administration, shortly after the beginning of which Democratic commissioners went into office, there has not been a single removal of anybody in the assessor's office, except one man, who was guilty of fraudulent and corrupt practices.

Mr. MAPES. Will the gentleman yield a little further?

Mr. JOHNSON of Kentucky. I will.

Mr. MAPES. The bill provides for statements and affidavits to be filed with the assessor's office monthly during the operation of the act until one year after the war closes, and they must be filed upon the basis of the assessed valuation of the property.

Mr. JOHNSON of Kentucky. I do not think so at all. I do not think the gentleman has read the bill correctly.

Mr. MAPES. And it will necessarily take a lot more of employees.

The CHAIRMAN. The time has expired. The Clerk will read.

Mr. TINKHAM. Mr. Chairman, I rise to offer a preferential motion.

The CHAIRMAN. There is no more motion pending. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the term "real estate" as herein used shall be construed to include lands, buildings, parts of buildings, houses, dwellings, apartments, rooms, suites of rooms and every other improvement or structure whatsoever on land situated and being in the District of Columbia.

Mr. TINKHAM. Mr. Chairman—

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. TINKHAM. To offer a preferential motion. Under the rules I can offer a preferential motion at any time, as I understand it.

Mr. JOHNSON of Kentucky. Mr. Chairman, without knowing what the motion is, I reserve a point of order on it.

The CHAIRMAN. The Clerk will report the motion offered by the gentleman from Massachusetts.

The Clerk read as follows:

Mr. TINKHAM moves that the committee do now rise and report the bill to the House with the recommendation that further consideration be postponed until February 25, 1918.

Mr. JOHNSON of Kentucky. I make a point of order against that.

The CHAIRMAN. The gentleman will state it.

Mr. JOHNSON of Kentucky. The Chair will rule on the point of order.

Mr. RAGSDALE. Mr. Chairman, I move to lay that motion on the table.

Mr. JOHNSON of Kentucky. Mr. Chairman, I withdraw the point of order and ask for a vote.

The CHAIRMAN. The gentleman from Massachusetts [Mr. TINKHAM] moves that the committee rise and report the bill back to the House with the recommendation that further consideration of the bill be postponed until February 25.

The question was taken, and the Chair announced that the Chair was in doubt.

Mr. TINKHAM. Division, Mr. Chairman.

The committee divided; and there were—ayes 25, noes 36.

Mr. TINKHAM. Mr. Chairman, I make the point of order there is no quorum present.

The CHAIRMAN. The gentleman from Massachusetts makes the point of order that there is no quorum present. The Chair will count. [After counting.] Seventy-five gentlemen are present, not a quorum. The Clerk will call the roll.

Mr. HAYES. Mr. Chairman, I make the point of order the roll can not be called in the Committee of the Whole.

Mr. WALSH. Mr. Chairman, I ask for the regular order. The Chair directed the roll should be called, and the Clerk should proceed.

The CHAIRMAN. The Clerk will call the roll.

The roll was called, and the following Members failed to answer to their names:

Anderson	Gallivan	McCormick	Sanders, N. Y.
Anthony	Goodall	McKenzie	Schall
Ashbrook	Goodwin, Ark.	McKintley	Scott, Pa.
Austin	Gould	McLaughlin, Mich.	Scully
Beakes	Graham, Pa.	McLaughlin, Pa.	Sims
Borland	Gray, Ala.	Maher	Small
Brodbeck	Gray, N. J.	Mann	Smith, C. B.
Caldwell	Gregg	Miller, Minn.	Snell
Capstick	Hamill	Mondell	Snyder
Caraway	Hamilton, Mich.	Montague	Stedman
Carter, Mass.	Hamilton, N. Y.	Mott	Stephens, Nebr.
Chandler, N. Y.	Harrison, Miss.	Mudd	Sterling, Ill.
Clark, Fla.	Hastings	Neely	Sterling, Pa.
Collier	Heintz	Nelson	Strong
Copley	Hollingsworth	Nicholls, S. C.	Sullivan
Costello	Hood	Nolan	Talbot
Curry, Cal.	Howard	Olney	Townner
Davidson	Humphreys	Parker, N. Y.	Vare
Denison	Johnson, S. Dak.	Platt	Voigt
Dooling	Johnson, Wash.	Porter	Walton
Drukker	Kahn	Pou	Ward
Dunn	Kennedy, R. I.	Powers	Wason
Dyer	Key, Ohio	Price	Waston, Va.
Edmonds	King	Ramsey	Webb
Estopinal	La Follette	Randall	Welling
Fairchild, G. W.	La Guardia	Robinson	White, Ohio
Fess	Lea, Cal.	Rodenberg	Wilson, Ill.
Flood	Lee, Ga.	Roland	Wilson, La.
Flynn	Lever	Russell	Winslow
Fordney	Littlepage	Sabath	Woodyard
Francis	Lundeen	Sanders, Ind.	
Freeman	Lunn	Sanders, La.	

Thereupon the committee rose; and the Speaker having resumed the Chair, Mr. RUCKER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having under consideration the bill (H. R. 9248) to prevent extortion, impose taxes upon certain incomes in the District of Columbia, and for other purposes, and finding itself without a quorum, he had caused the roll to be called, whereupon 304 Members had responded to their names, and he submitted a list of absentees for printing in the Record.

The SPEAKER. The committee will resume its sitting.

The committee resumed its sitting.

Mr. JOHNSON of Kentucky. Mr. Chairman, I desire to make a statement to the committee, consuming about one minute.

The CHAIRMAN. The gentleman asks unanimous consent to proceed for one minute. Is there objection?

There was no objection.

Mr. JOHNSON of Kentucky. A large number of Members of the House now present were not present when this roll call commenced. The gentleman from Massachusetts [Mr. TINKHAM] made a motion to postpone the consideration of the bill. A vote was taken on the motion, and the motion was lost, but less than a quorum voted. Whereupon the gentleman from Massachusetts made a point of no quorum. It is my desire now to have a vote taken on the motion made by the gentleman from Massachusetts, and when that vote has been taken I will make a motion that the committee rise.

The CHAIRMAN. The question now is on the motion of the gentleman from Massachusetts [Mr. TINKHAM], which the Clerk will report.

The Clerk read as follows:

Mr. TINKHAM moves that the committee do now rise and report the bill to the House, with the recommendation that the further consideration of the bill be postponed until February 25, 1918.

The CHAIRMAN. The question is on agreeing to the motion. The question was taken, and the chairman announced that the "noes" seemed to have it.

Mr. JOHNSON of Kentucky. I ask for a division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 7, noes 102.

So the motion was rejected.

Mr. JOHNSON of Kentucky. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. RUCKER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9248) to prevent extortion, to impose taxes upon certain incomes in the District of Columbia, and for other purposes, and had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. GRAY of Alabama, for 10 days, on account of important business.

To Mr. KEHOE, for the day, on account of illness.

To Mr. SANDERS of Indiana, for two days, on account of important business, at the request of Mr. PURNELL.

URGENT DEFICIENCY BILL (H. REPT. NO. 315).

Mr. SHERLEY, by direction of the Committee on Appropriations, reported for printing, under the rule, the bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June thirtieth, nineteen hundred and eighteen, and prior fiscal years, on account of war expenses, and for other purposes, which was referred to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. GILLET. Mr. Speaker, I reserve all points of order on the bill.

The SPEAKER. The gentleman from Massachusetts reserves all points of order on the bill.

REPORTS OF WAR TRADE BOARD FOR 1917 (H. DOC. NO. 934).

The SPEAKER laid before the House the following message from the President of the United States, which was read and, with the accompanying papers, referred to the Committee on Interstate and Foreign Commerce and ordered to be printed:

To the Senate and House of Representatives:

As required by the provisions of section 6 of the "Trading with the enemy act," approved October 6, 1917, I transmit herewith reports of the Bureaus of Enemy Trade and of Imports, showing the proceedings had by the War Trade Board during the year ending December 31, 1917.

WOODROW WILSON.

THE WHITE HOUSE, February 14, 1918.

HOUSING OF SHIPYARD EMPLOYEES.

Mr. ALEXANDER. Mr. Speaker, I desire to call from the Speaker's table the housing bill (S. 3389), with House amendments, to insist on the amendments, and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from Missouri asks that Senate bill 3389, with House amendments, be taken from the Speaker's table, and that the House agree to the conference asked by the Senate. The Clerk will report the bill by title.

The Clerk read the title of the bill (S. 3389) to authorize and empower the United States Shipping Board Emergency Fleet Corporation to purchase, lease, requisition, or otherwise acquire improved or unimproved lands, houses, buildings, and for other purposes.

The SPEAKER. Is there objection?

There was no objection; and the Speaker appointed as conferees on the part of the House Mr. ALEXANDER, Mr. HARDY, Mr. SAUNDERS of Virginia, Mr. GREENE of Massachusetts, and Mr. EDMONDS.

PERSONAL EXPLANATION.

Mr. ALMON. Mr. Speaker, being called away by the serious illness of my son at Camp Wadsworth, I asked a friend to secure leave of absence for me for the 12th and 13th of this month. He neglected to do so, and I desire to make this statement in explanation of my absence on the 12th and 13th.

LEAVE TO EXTEND REMARKS.

Mr. GREENE of Vermont. I ask unanimous consent to extend my remarks in the Record by printing an article from the Army and Navy Register, written by Admiral Clark, of the Navy.

The SPEAKER. The gentleman asks unanimous consent to extend his remarks in the Record. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. KITCHIN. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 33 minutes p. m.) the house adjourned until to-morrow, Friday, February 15, 1918, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. YOUNG of Texas, from the Committee on Agriculture, to which was referred the joint resolution (H. J. Res. 231) authorizing the Secretary of Agriculture to certify to the Secretary of the Treasury for payment, and the Secretary of the Treasury to pay, the appropriation for the Georgia Experiment Station, of the State of Georgia, under act of March 4, 1917, for the fiscal year ending June 30, 1918, to the board of trustees of the Agricultural and Mechanical College, of the State of Georgia, and for other purposes, reported the same with amendment, accompanied by a report (No. 312), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SHALLENBERGER, from the Committee on Military Affairs, to which was referred the bill (S. 2917) to amend section 15 of the act approved June 3, 1916, entitled "An act for making further and more effectual provision for the national defense, and for other purposes," as amended by the act approved May 12, 1917, etc., reported the same without amendment, accompanied by a report (No. 313), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. MOON, from the Committee on the Post Office and Post Roads, to which was referred the bill (S. 3689) authorizing the Postmaster General to cancel or readjust the screen-wagon contract of H. H. Hogan, at Kansas City, Mo., reported the same without amendment, accompanied by a report (No. 314), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 9275) granting a pension to Edwin D. Goodell, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BLANTON: A bill (H. R. 9860) to provide for the common defense and general welfare by conserving and increasing the production of food, leather, and clothing, through furnishing immediate needed relief to drought-stricken portions of the States of Texas, Colorado, and New Mexico, Kansas, Nebraska, North Dakota, and South Dakota, preventing by the immediate advancement for necessary feed the impending starvation of several million head of cattle and other valuable live stock; and by advancing needed means for supplies, feed for teams, and seeds for planting, thus making provisions for the cultivation of thousands of productive farms, which otherwise would be uncultivated and nonproductive in 1918; and appropriating therefor money hereafter reimbursable; to the Committee on Agriculture.

By Mr. KELLEY of Michigan: A bill (H. R. 9861) to prohibit the importation of goods, wares, merchandise, and materials from the German Empire under certain conditions; to the Committee on Ways and Means.

By Mr. SHERWOOD: A bill (H. R. 9862) increasing rates of pensions of soldiers and sailors of the Civil War; to the Committee on Invalid Pensions.

By Mr. HILLIARD: A bill (H. R. 9863) to amend section 224 of the Revised Statutes of the United States, relating to certificates of discharge; to the Committee on Military Affairs.

By Mr. GLASS: A bill (H. R. 9864) to amend section 3 of the Judicial Code in respect to the western district of Virginia; to the Committee on the Judiciary.

By Mr. EVANS: A bill (H. R. 9865) to authorize the sale of certain lands to school district No. 28 of Missoula County, Mont.; to the Committee on Indian Affairs.

By Mr. OSBORNE: A bill (H. R. 9866) authorizing and directing the Secretary of the Interior to grant to the Los Angeles County flood-control district the use of certain public lands in California, and granting rights in, over, and through the Angeles and Santa Barbara Forest Reserves to the Los Angeles County flood-control district; to the Committee on the Public Lands.

By Mr. SHERLEY: A bill (H. R. 9867) making appropriations to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and prior fiscal years, on account of war expenses, and for other purposes; committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUSTIN: A bill (H. R. 9868) granting a pension to Anna Baird; to the Committee on Invalid Pensions.

By Mr. BROWNE: A bill (H. R. 9869) granting a pension to Carrie C. Fry; to the Committee on Invalid Pensions.

By Mr. BRUMBAUGH: A bill (H. R. 9870) granting a pension to Albert N. Oakleaf; to the Committee on Pensions.

By Mr. CARY: A bill (H. R. 9871) granting a pension to Albert Beiro; to the Committee on Pensions.

By Mr. COADY: A bill (H. R. 9872), for the relief of sundry building and loan associations; to the Committee on Claims.

By Mr. COPLEY: A bill (H. R. 9873) changing the naval record of Clarence A. Richards, for the administration of the pension laws; to the Committee on Naval Affairs.

By Mr. CRAGO: A bill (H. R. 9874) granting a pension to Harry W. Conn; to the Committee on Pensions.

By Mr. DENTON: A bill (H. R. 9875) granting a pension to America F. Roberts; to the Committee on Invalid Pensions.

By Mr. DEWALT: A bill (H. R. 9876) granting an increase of pension to Henry A. Kline; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9877) granting an increase of pension to William Haines; to the Committee on Invalid Pensions.

By Mr. DICKINSON: A bill (H. R. 9878) granting an increase of pension to Michael Ingram; to the Committee on Invalid Pensions.

By Mr. DOOLITTLE: A bill (H. R. 9879) granting an increase of pension to Joseph Brown; to the Committee on Invalid Pensions.

By Mr. EMERSON: A bill (H. R. 9880) granting a pension to Helen M. Warren; to the Committee on Invalid Pensions.

By Mr. GOULD: A bill (H. R. 9881) for the relief of Capt. Fred S. Johnston; to the Committee on Claims.

By Mr. HAWLEY: A bill (H. R. 9882) granting an increase of pension to James H. Layne, jr.; to the Committee on Invalid Pensions.

By Mr. KEATING: A bill (H. R. 9883) granting an increase of pension to Daniel W. Butt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9884) granting an increase of pension to Oliver M. Mahan; to the Committee on Invalid Pensions.

By Mr. KEY of Ohio: A bill (H. R. 9885) granting an increase of pension to Charles H. Dalrymple; to the Committee on Invalid Pensions.

By Mr. LEA of California: A bill (H. R. 9886) granting an increase of pension to Mervell J. Hibbard; to the Committee on Invalid Pensions.

By Mr. LESHNER: A bill (H. R. 9887) granting an increase of pension to De Lafayette S. Wynn; to the Committee on Invalid Pensions.

By Mr. OVERMYER: A bill (H. R. 9888) granting an increase of pension to Charles Fortescue; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9889) granting a pension to Sarah C. Francis; to the Committee on Invalid Pensions.

By Mr. ROSE: A bill (H. R. 9890) granting a pension to Frances J. Dixon; to the Committee on Invalid Pensions.

By Mr. TEMPLE: A bill (H. R. 9891) granting an increase of pension to James C. Stevenson; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 9892) granting a pension to Charles A. Swander; to the Committee on Pensions.

Also, a bill (H. R. 9893) granting a pension to Lulu M. Lehman; to the Committee on Pensions.

Also, a bill (H. R. 9894) granting a pension to Fred G. Pettigrew; to the Committee on Pensions.

Also, a bill (H. R. 9895) granting a pension to Charles C. Studley; to the Committee on Invalid Pensions.

By Mr. WOODYARD: A bill (H. R. 9896) granting an increase of pension to Lewis M. Cales; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER (by request): Resolution of the Association of American Medical Colleges, favoring the Owen amendment to Senate bill 1786; to the Committee on Military Affairs.

Also (by request), petition of members of the Friends of Irish Freedom, urging favorable action by Congress on the Rankin resolution for Irish independence; to the Committee on Foreign Affairs.

Also (by request), resolutions of the Lakeside Club, Manistee, Mich.; the Community Association of Crawfordsville, Ind.; the Romeo Monday Club, Romeo, Mich.; the Sorosis Club, St. Peter, Minn.; the Woman's Club, Racine, Wis.; and the Woman's Missionary Society of the United Presbyterian Church, urging the repeal of the second-class postage rates of the war-revenue act; to the Committee on Ways and Means.

Also (by request), memorial of Public Ownership League of America, favoring Government ownership, as well as operation, of the railroads; also a memorial of Columbia Lodge, No. 174, International Association of Machinists, favoring permanent Government control of transportation; to the Committee on Interstate and Foreign Commerce.

By Mr. ANTHONY: Petition forwarded by Dr. Clyde Gray, of Horton, Kans., and signed by A. J. Thompson and other members of Company B, One hundred and thirty-seventh Infantry, Camp Doniphan, Okla., favoring the passage of House bill 5407; to the Committee on Military Affairs.

By Mr. CAREW: Resolution of the security holders of the Boston & Maine Railroad, relative to the effect of Federal control of that road; to the Committee on Interstate and Foreign Commerce.

By Mr. CARY: Resolutions of the Woman's Missionary Society of the United Presbyterian Church, Fort Morgan, Colo., and of the Maryland State Federation of Women's Clubs, favoring the repeal of the periodical postage provisions of the war-revenue act; to the Committee on Ways and Means.

By Mr. CLARK of Pennsylvania: Petition of Martin L. Schauble, Axel Ekslund, William A. Shurrager, H. H. Jarvis, and 18 others, praying for the passage of House bill 7995, for the preservation of the Niagara, Commodore Perry's flagship in the Battle of Lake Erie; to the Committee on Naval Affairs.

By Mr. DALE of New York: Resolution of the New York Antivivisection Society, protesting against compulsory inoculation of soldiers; to the Committee on Military Affairs.

By Mr. ELSTON: Petition of several hundred citizens of Alameda County, Cal., urging the passage of House bill 7356, known as the Keating bill; to the Committee on Appropriations.

By Mr. FULLER of Illinois: Petition of A. H. Karn and other citizens of Peru, Ill., favoring legislation for universal military training; to the Committee on Military Affairs.

Also, memorial of the Maryland State Federation of Women's Clubs, opposing increased rates of postage on periodicals; to the Committee on Ways and Means.

By Mr. GALLIVAN: Resolution of the Massachusetts State Board of Trade, favoring the loading or unloading of ships of high explosives at such distance from our shores as to minimize the hazard; to the Committee on Naval Affairs.

By Mr. HILLIARD: Resolutions adopted by the Community Association of Crawfordsville, Ind.; College Hall Library Club, of Sherman, Tex.; the Woman's Club of Beaver Dam, Wis.; and the Fortnightly Club of Sharon, Mass., protesting against the increased postage rates on periodicals; to the Committee on Ways and Means.

Also, petition of Mrs. Edmond E. Eckels, of Greeley, Colo., urging the admittance of osteopathic physicians to the Army; to the Committee on Military Affairs.

Also, petition of W. R. Callicotte, of Denver, Colo., urging the passage of measures designed to increase salaries of postal employees; to the Committee on the Post Office and Post Roads.

By Mr. KEATING: Petition of citizens of Colorado, asking for amendment of the rural-credits law; to the Committee on Banking and Currency.

By Mr. KENNEDY of Rhode Island: Petitions of Methodist Episcopal Churches of Providence, R. I., protesting against passage of Senate bill 3476, providing for a railroad track crossing

First Street into square No. 673 in Washington, D. C.; to the Committee on the District of Columbia.

By Mr. LUFKIN: Telegram from Hon. Leslie K. Morse, mayor, of Haverhill, Mass., urging opening up of old canals to assist in relieving the coal situation; to the Committee on Interstate and Foreign Commerce.

By Mr. MAGEE: Petition by many residents of Route 2, La Fayette, Onondaga County, N. Y., favoring passage of national emergency war prohibition bill; to the Committee on the Judiciary.

By Mr. MOORE of Pennsylvania: Resolutions of the Lumberman's Exchange of Philadelphia, favoring the creation of a board of war control and a director of munitions; to the Committee on Military Affairs.

Also, memorial of Central Labor Union of Philadelphia, favoring legislation increasing the pay of postal clerks and carriers; also resolutions of the same organization opposing the Postmaster General's attitude toward labor organizations; to the Committee on the Post Office and Post Roads.

Also, resolution of the Vero Commercial Club, urging Government control of the Florida Coast Line Canal; to the Committee on Rivers and Harbors.

By Mr. O'SHAUNESSY: Petition of George Thornto, Pawtucket, R. I., protesting against interference with the efforts of Secretary Baker; to the Committee on Military Affairs.

By Mr. SANFORD: Papers to accompany House bill 9138, granting increase of pension to Daniel Lawlor; to the Committee on Pensions.